

2014

INTERNAL  
REVENUE  
SERVICE

# DATA BOOK

October 1, 2013 to September 30, 2014

## Department of the Treasury Internal Revenue Service

### **John A. Koskinen**

Commissioner

### **Rosemary D. Marcuss**

Director, Research, Analysis, and Statistics

### **Barry W. Johnson**

Director, Statistics of Income Division

### **Wayne K. Kei**

Chief, Communications and Data Dissemination Section

## **The IRS Mission**

Provide America's taxpayers top-quality service by helping them understand and meet their tax responsibilities and enforce the law with integrity and fairness to all.

# Internal Revenue Service

## Data Book, 2014

This report describes activities conducted by the Internal Revenue Service during Fiscal Year 2014 (October 1, 2013, through September 30, 2014). It provides information on returns filed and taxes collected, enforcement, taxpayer assistance, the IRS budget and workforce, and other selected activities.

When using information from this report, cite the *Internal Revenue Service Data Book, 2014* as follows—

Internal Revenue Service  
Data Book, 2014  
Publication 55B  
Washington, DC  
March 2015

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# Acknowledgments

## Internal Revenue Service Offices

<i>Appeals</i>	<i>Criminal Investigation</i>	<i>Tax Exempt and Government Entities</i>
Diana Palombo	Stephen D. Harris	Robert W. Noonan
<i>Chief Counsel</i>	<i>Equity, Diversity, and Inclusion</i>	<i>Taxpayer Advocate</i>
Christina L. Aiken	Charles R. Martinsen	Jacqueline A. Gele
Hilary A. Ferrell	<i>Online Services</i>	Michael G. Hart
<i>Chief Financial Officer</i>	William S. Parman	Joann F. Morasse
Saiful Ahmed	<i>Research, Analysis, and Statistics</i>	<i>Wage and Investment</i>
David L. Byers	Brett Collins	Valerie W. Allen
Charles A. Messing	David J. Ludlum	Helen M. Bass
Jeshal Patel	<i>Small Business /Self-Employed</i>	Kelli A. Graser
Kent H. Rinehart	Maureen Aptowicz	
Afzaal H. Shamsie	Denise E. Baldwin	
Barry S. Sims	Bradley N. Birch	
Sharon Telesford	Karen E. Johnson	
<i>Communications &amp; Liaison</i>	Paul D. Kutty	
Michael Deneroff	Catherine A. LaBille	
	Darryl E. Liu	
	Pamela K. Lund	
	Bob D. Schwaller	

## Statistics of Income Division, Communications and Data Dissemination

<i>Managing Editors</i>	<i>Layout Designer and Publishing Services Coordinator</i>	<i>Statistical Designer</i>
Kelly D. Dauberman	Clay R. Moulton	Melissa R. Ludlum
Ruth A. Schwartz		
<i>Technical Editors</i>	<i>Information Technology Specialist</i>	
James R. Hobbs	Paul A. Bastuscheck	
Barry W. Johnson		

### The Internal Revenue Service Data Book Online

The *Internal Revenue Service Data Book* tables for the current year and previous years may be found on the IRS Internet site. The World Wide Web address is: [www.irs.gov/taxstats](http://www.irs.gov/taxstats). From the website, select "IRS Data Books" in the "Products, Publications & Papers" section. An archive of historical *Data Books* from 2014 to 1863 is also available on the site. For additional information, contact Statistical Information Services at 202-803-9285 or e-mail [sis@irs.gov](mailto:sis@irs.gov).

# Letter from the Commissioner

The *Internal Revenue Service Data Book* reflects the great variety and volume of work entrusted to the IRS, and I am pleased to present it for Fiscal Year 2014. As the world's largest financial institution, the IRS continues to play a pivotal role in funding the United States government and enforcing the nation's tax laws.

FY 2014 marked the fourth consecutive year IRS appropriations were reduced, which required us to change our approach to taxpayer service and enforcement operations. With fewer resources, we saw decreases in several areas, including the number of phone calls answered and the number of audits completed. Our main functions of processing returns and collecting revenue generally held steady compared to prior years with almost 240 million returns processed and \$3.1 trillion collected.

The enforcement statistical tables in this year's report also show the negative impact of resource constraints. During FY 2014, the IRS audited tax returns of about 1.2 million individuals, which is nearly 12 percent less than the previous year and the lowest number since FY 2005. We estimate that, as a result of these enforcement cuts, the government will lose at least \$2 billion in revenue that otherwise would have been collected. We also continued to lose experienced employees to attrition and retirement. In fact, the number of IRS employees has dropped by nearly 14 percent in the last five years, making our efforts to recruit top talent even more important.

Despite the challenges, the IRS remains committed to serving taxpayers and finding new ways to assist them, especially in today's digital age. The IRS is providing more information and services online. Our website, IRS.gov, has become a hub of tax information and one of the most popular government websites, attracting more than 437 million visits in FY 2014. Other services like "Where's My Refund?" and the Transcript Delivery System were also widely used in FY 2014, as you'll see from Table 19.

The publication of this *Data Book* is a part of our continual effort to provide information and further your understanding of the important functions of the IRS. We hope that behind the numbers you will see the commitment and dedication of thousands of IRS employees who strive each day to deliver the highest level of service possible to every taxpayer and enforce the nation's tax laws with integrity and fairness to all.

*Commissioner of Internal Revenue*

**John A. Koskinen**

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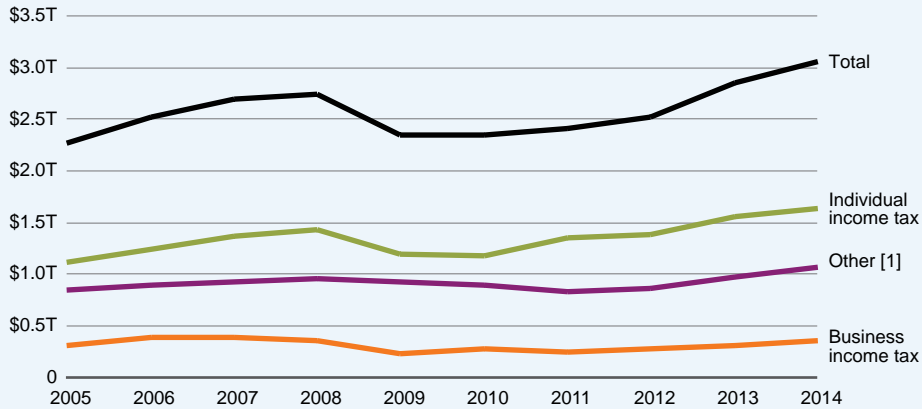
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**Gross Collections by Type of Tax, Fiscal Years 2005–2014**

[1] Includes employment, estate and gift, and excise tax forms.

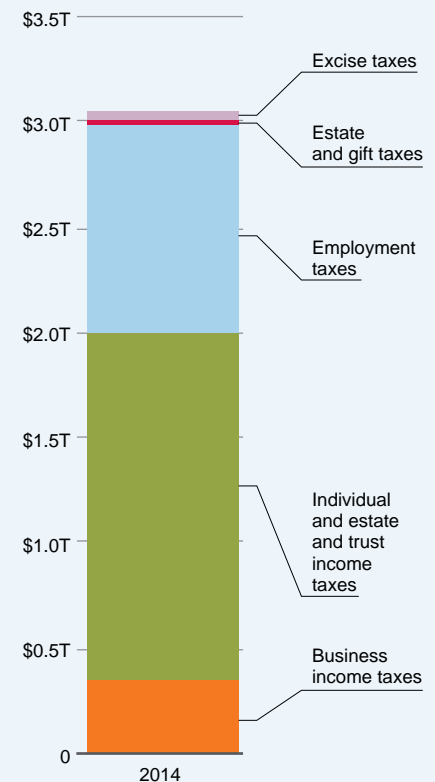
SOURCE: IRS Data Book Table 1

## Returns Filed, Taxes Collected, and Refunds Issued

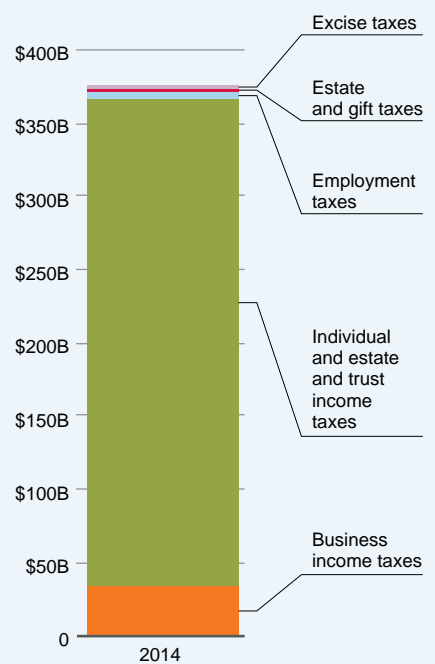
Section 1 of the *Data Book* provides a broad overview of the main functions performed by the IRS: processing Federal tax returns and collecting revenue. It also provides additional details on returns filed, returns filed electronically, gross collections, and tax refunds by state and type of tax.

**Highlights of the Data**

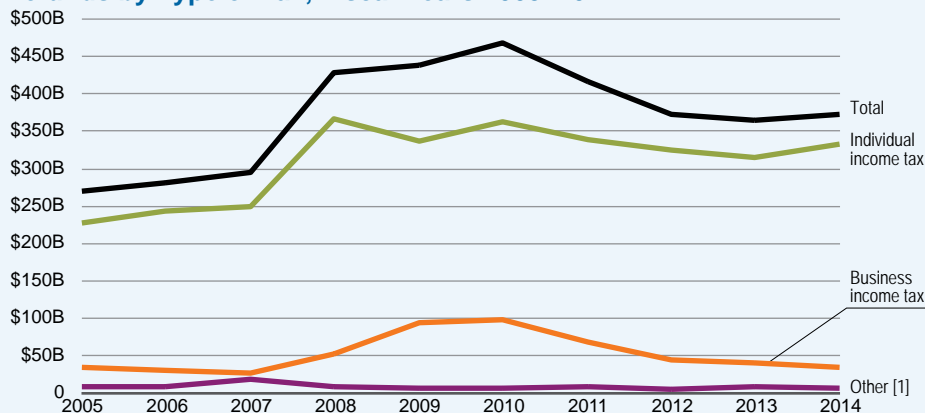
- The IRS collected almost \$3.1 trillion in gross taxes (Tables 1 and 5) and issued almost 118.7 million refunds (Table 7), amounting to more than \$373.5 billion (Tables 1 and 8).
- Individual income tax withheld and tax payments, combined, totaled over \$1.6 trillion before refunds. (Tables 1 and 6).
- The IRS also collected more than \$353.1 billion in taxes, before refunds, from businesses in Fiscal Year (FY) 2014 (Tables 1 and 6).

**Gross Collections by Type of Tax, Fiscal Year 2014**

SOURCE: 2014 IRS Data Book Table 1

**Refunds by Type of Tax, Fiscal Year 2014**

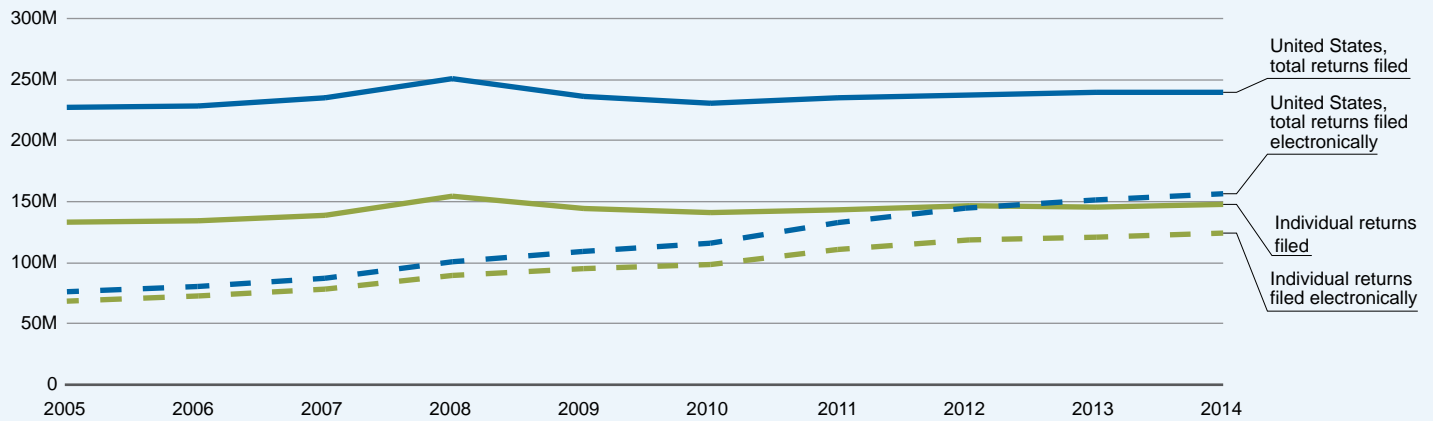
SOURCE: 2014 IRS Data Book Table 1

**Refunds by Type of Tax, Fiscal Years 2005–2014**

[1] Includes employment, estate and gift, and excise tax forms.

SOURCE: IRS Data Book Table 1

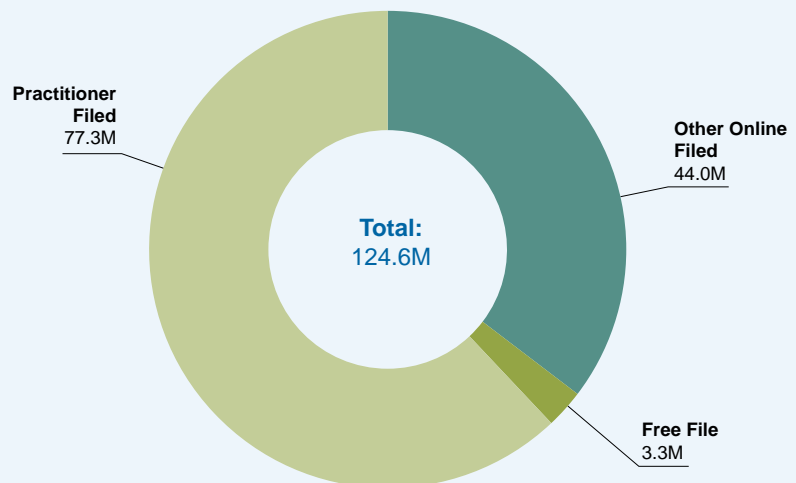
## Number of Returns Filed, by Return Type, Fiscal Years 2005–2014



SOURCE: IRS Data Book Tables 2, 3, and 4

- The IRS processed nearly 240 million Federal tax returns and supplemental documents (Tables 2 and 3).
- Almost 157.2 million returns were filed electronically. Individual income tax returns represented 79.3 percent of these returns (Table 4).
- Paid preparers filed nearly 77.3 million tax returns electronically and taxpayers filed almost 3.3 million returns using the IRS Free File program (Table 4).
- In FY 2014, nearly 16.8 million tax refunds included a refundable child tax credit and over 24.4 million included the earned income tax credit (Table 7).
- California had the largest amounts of refunds in the following categories—individual, business, employment, and estate tax (Table 8).

## Number of Individual Returns Electronically Filed, Fiscal Year 2014



SOURCE: 2014 IRS Data Book Table 4

**Table 1. Collections and Refunds, by Type of Tax, Fiscal Years 2013 and 2014**

[Money amounts are in thousands of dollars]

Type of tax	Gross collections [1]			Refunds [1, 2]	Net collections [1]	
	2013	2014	Percentage of 2014 total	2014	2014	Percentage of 2014 total
	(1)	(2)	(3)	(4)	(5)	(6)
<b>United States, total</b>	<b>2,855,059,420</b>	<b>3,064,301,358</b>	<b>100.0</b>	<b>373,545,926</b>	<b>2,690,755,432</b>	<b>100.0</b>
<b>Business income taxes</b>	<b>311,993,954</b>	<b>353,141,112</b>	<b>11.5</b>	<b>35,313,521</b>	<b>317,827,591</b>	<b>11.8</b>
Corporation	311,432,736	352,402,741	11.5	n.a.	n.a.	n.a.
Tax-exempt organization unrelated business income tax	561,218	738,371	[3]	n.a.	n.a.	n.a.
<b>Individual and estate and trust income taxes [4]</b>	<b>1,564,354,494</b>	<b>1,643,623,968</b>	<b>53.6</b>	<b>332,141,708</b>	<b>1,311,482,260</b>	<b>48.7</b>
Individual income tax withheld	1,123,453,881	1,169,768,895	38.2	n.a.	n.a.	n.a.
Individual income tax payments [5]	416,204,540	444,444,277	14.5	n.a.	n.a.	n.a.
Estate and trust income tax	24,696,073	29,410,796	1.0	1,580,563	27,830,234	1.0
<b>Employment taxes</b>	<b>897,847,151</b>	<b>976,223,247</b>	<b>31.9</b>	<b>3,824,556</b>	<b>972,398,691</b>	<b>36.1</b>
Old-Age, Survivors, Disability, and Hospital Insurance (OASDHI), total [4]	884,440,425	961,657,846	31.4	3,656,447	958,001,399	35.6
Federal Insurance Contributions Act (FICA)	830,291,842	897,978,551	29.3	n.a.	n.a.	n.a.
Self-Employment Insurance Contributions Act (SECA)	54,148,583	63,679,295	2.1	n.a.	n.a.	n.a.
Unemployment insurance	7,895,992	8,611,877	0.3	148,125	8,463,751	0.3
Railroad retirement	5,510,733	5,953,524	0.2	19,984	5,933,541	0.2
<b>Estate and gift taxes</b>	<b>19,830,148</b>	<b>20,154,955</b>	<b>0.7</b>	<b>879,746</b>	<b>19,275,209</b>	<b>0.7</b>
Estate	14,051,771	17,572,338	0.6	730,291	16,842,047	0.6
Gift [6]	5,778,377	2,582,617	0.1	149,455	2,433,162	0.1
<b>Excise taxes</b>	<b>61,033,674</b>	<b>71,158,076</b>	<b>2.3</b>	<b>1,386,395</b>	<b>69,771,681</b>	<b>2.6</b>

n.a.—Not available.

[1] Excludes refunds credited to taxpayer accounts for tax liability in a subsequent year, as well as excise taxes collected by the U.S. Customs and Border Protection and the Alcohol and Tobacco Tax and Trade Bureau.

[2] Includes overpayment refunds, refunds resulting from examination activity, refundable tax credits, and other refunds required by law. Also includes \$1.0 billion in interest, of which \$0.4 billion was paid to corporations and \$0.6 billion was paid to all others (related to individual, employment, estate, gift and excise tax returns).

[3] Less than 0.05 percent.

[4] Collections of withheld individual income tax are not reported by taxpayers separately from Old-Age, Survivors, Disability, and Hospital Insurance (OASDHI) taxes on salaries and wages (under the Federal Insurance Contributions Act or FICA) and on self-employment income (under the Self-Employment Insurance Contributions Act or SECA). The OASDHI tax collections and refunds shown in this table are based on estimates made by the Secretary of the Treasury pursuant to the provisions of Section 201 (a) of the Social Security Act as amended and include all OASDHI taxes. Amounts shown for individual income tax withheld and individual income tax payments were derived by subtracting the FICA and SECA tax estimates from total individual income tax withheld and individual income tax payments. Refund estimates, and, therefore, net collection estimates, were not made for the components of income and OASDHI taxes.

[5] Includes collections of estimated income tax and payments included with individual income tax return filings.

[6] The amount of gift tax collections decreased from \$5,778,377,000 in Fiscal Year (FY) 2013 to \$2,582,617,000 in FY 2014. The Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 raised the unified estate and gift tax credit to \$5 million until December 31, 2012, after which the gift tax credit was to return to \$1 million. Uncertainty over whether Congress would extend the higher credit led to a surge in gifts during early FY 2013. The \$5 million exemption was made permanent on December 31, 2012, and indexed for inflation, as part of the American Taxpayer Relief Act of 2012, and as a result, the amount of gift tax reported in FY 2014 is more in line with historic trends.

**NOTES:**

Detail may not add to totals because of rounding.

Collection and refund data may not be comparable for a given fiscal year because payments made in prior years may be refunded in the current fiscal year.

Partnership, S corporation, regulated investment company, and real estate investment trust data are not shown in this table since these entities generally do not have a tax liability. Instead, they pass any profits or losses to the underlying owners, who include these profits or losses on their income tax returns.

SOURCE: Chief Financial Officer, Financial Management.

**Table 2. Number of Returns and Other Forms Filed, by Type of Return, Fiscal Years 2013 and 2014**

[Numbers are in thousands—for Fiscal Year 2014 details by State, see Table 3]

Type of return	2013	2014	Percentage change
	(1)	(2)	
<b>United States, total [1]</b>	<b>240,076</b>	<b>239,875</b>	<b>-0.1</b>
<b>Income taxes, total</b>	<b>185,035</b>	<b>185,540</b>	<b>0.3</b>
<b>C or other corporation [2]</b>	<b>2,248</b>	<b>2,221</b>	<b>-1.2</b>
<b>S corporation, Form 1120-S</b>	<b>4,566</b>	<b>4,643</b>	<b>1.7</b>
<b>Partnership, Form 1065</b>	<b>3,686</b>	<b>3,799</b>	<b>3.1</b>
<b>Individual [3]</b>	<b>145,996</b>	<b>147,445</b>	<b>1.0</b>
Forms 1040, 1040-A, 1040-EZ	145,125	146,568	1.0
Forms 1040-C, 1040-NR, 1040NR-EZ, 1040-PR, 1040-SS	872	877	0.6
<b>Individual estimated tax, Form 1040-ES</b>	<b>24,806</b>	<b>23,608</b>	<b>-4.8</b>
<b>Estate and trust, Form 1041</b>	<b>3,192</b>	<b>3,206</b>	<b>0.4</b>
<b>Estate and trust estimated tax, Form 1041-ES</b>	<b>541</b>	<b>618</b>	<b>14.2</b>
<b>Employment taxes [4]</b>	<b>29,958</b>	<b>30,066</b>	<b>0.4</b>
<b>Estate tax [5]</b>	<b>32</b>	<b>34</b>	<b>6.3</b>
<b>Gift tax, Form 709</b>	<b>313</b>	<b>335</b>	<b>7.0</b>
<b>Excise taxes [6]</b>	<b>909</b>	<b>987</b>	<b>8.6</b>
<b>Tax-exempt organizations [7]</b>	<b>1,463</b>	<b>1,467</b>	<b>0.3</b>
<b>Supplemental documents [8]</b>	<b>22,365</b>	<b>21,446</b>	<b>-4.1</b>

[1] Excludes information returns (e.g., Forms 1098, 1099, 5498, W-2, and W-2G, and Schedule K-1); tax-exempt bond returns (Forms 8038, 8038-B, 8038-CP, 8038-G, 8038-GC, 8038-T, 8038-TC, and 8328); and employee retirement benefit plan returns (Forms 5500, 5500-EZ, and 5500-SF). See Table 13 for information on tax-exempt bond returns. See Tables 13 and 23 for information on employee retirement benefit plans. See Table 14 for data on information returns.

[2] Includes Form 1066 (real estate mortgage investment conduit income tax return) and the Form 1120 series as follows: 1120 (corporation income tax return); 1120-C (cooperative association income tax return); 1120-F (foreign corporation income tax return, except foreign life insurance company, foreign property and casualty insurance company, or foreign sales corporation); 1120-FSC (foreign sales corporation income tax return); 1120-H (homeowner association income tax return); 1120-L (life insurance company income tax return); 1120-ND (return for nuclear decommissioning funds); 1120-PC (property and casualty insurance company income tax return); 1120-POL (income tax return for certain political organizations); 1120-REIT (real estate investment trust income tax return); 1120-RIC (regulated investment company income tax return); and 1120-SF (income tax return for settlement funds). Form 1120-X (amended corporation income tax return) is included with Supplemental documents in this table.

Excludes Form 990-T (tax-exempt organization unrelated business income tax return), which is included under Tax-exempt organizations in this table, although the tax reported on these returns is combined with Business income taxes in other tables.

[3] Includes the Form 1040 series as follows: 1040 (individual income tax return); 1040-A (individual income tax return, short form); 1040-EZ (individual income tax return for single and joint filers with no dependents); 1040-C (income tax return for departing aliens); 1040-NR (nonresident alien income tax return); 1040NR-EZ (income tax return for certain nonresident aliens with no dependents); 1040-PR (self-employment income tax return for Puerto Rico residents); and 1040-SS (self-employment income tax return for U.S. Virgin Islands, Guam, American Samoa, and Northern Mariana Islands residents). Form 1040-X (amended individual income tax return) is included with Supplemental documents in this table.

[4] Includes Forms 940 (employer's Federal unemployment tax return); 940-EZ (employer's Federal unemployment tax return, short form); 940-PR (unemployment tax return for Puerto Rico residents); 941 (employer's quarterly tax return for income and Social Security taxes withheld for other than household and agricultural employees); 941-PR/SS (employer's quarterly tax return for Puerto Rico residents, or for U.S. Virgin Islands, Guam, American Samoa, and Northern Mariana Islands residents); 943 (employer's tax return for agricultural employees); 943-PR/SS (employer's tax return for agricultural employees for Puerto Rico residents, or for U.S. Virgin Islands, Guam, American Samoa, and Northern Mariana Islands residents); 944 (employer's annual tax return); 944-PR/SS (employer's annual tax return for Puerto Rico residents, or for U.S. Virgin Islands, Guam, American Samoa, and Northern Mariana Islands residents); and 945 (tax return of withheld income tax from nonpayroll distributions). Also includes Forms 1042 (tax return of withheld income tax on U.S.-source income of foreign persons); and CT-1 (railroad retirement tax return). Forms 941-X (adjusted employer's tax return for income and Social Security taxes withheld for other than household and agricultural employees); 943-X (adjusted employer's tax return for agricultural employees); 944-X (adjusted employer's tax return); 945-X (adjusted annual return of withheld Federal income tax or claim for refund); and CT-1X (adjusted railroad retirement tax return) are included in Supplemental documents.

[5] Includes the Form 706 series as follows: 706 (estate and generation-skipping transfer tax return); 706-GS(D) (generation-skipping transfer tax return for distributions); 706-GS(T) (generation-skipping transfer tax return for terminations); and 706-NA (estate and generation-skipping transfer tax return for nonresident aliens).

[6] Includes Forms 11-C (occupational tax and registration for wagering return); 720 (excise tax return); 730 (excise tax return for wagering); 2290 (heavy highway vehicle use tax return) and 5330 (excise taxes related to employee retirement benefit plans return). Excludes excise tax returns filed with the U.S. Customs and Border Protection and the Alcohol and Tobacco Tax and Trade Bureau. Form 4720 (excise tax return of charities and other persons) is included with Tax-exempt organizations in this table.

[7] Includes the Form 990 series as follows: 990 (tax-exempt organization information return, long form); 990-EZ (tax-exempt organization information return, short form); 990-N (electronic notice (e-Postcard) for tax-exempt organizations not required to file Forms 990 or 990-EZ); 990-PF (private foundation information return); and 990-T (tax-exempt organization unrelated business income tax return). Also includes Forms 4720 (excise tax return of charities and other persons); 5227 (split-interest trust information return); and 8872 (political organization report of contributions and expenditures). Tax collected on Form 990-T is combined with Business income taxes in other tables.

**Table 2. Number of Returns and Other Forms Filed, by Type of Return, Fiscal Years 2013 and 2014—Continued****Footnotes—Continued**

[8] Includes Forms 941-X (adjusted employer's tax return for income and Social Security taxes withheld for other than household and agricultural employees); 943-X (adjusted employer's tax return for agricultural employees); 944-X (adjusted employer's tax return); 945-X (adjusted annual return of withheld Federal income tax or claim for refund); 1040-X (amended individual income tax return); 1041-A (information return of charitable contribution deductions by certain trusts); 1120-X (amended corporation income tax return); 4868 (automatic filing extension for individuals); 5558 (filing extension for certain employee retirement plan returns); 7004 (automatic filing extension for corporations); 8752 (required payment or refund for certain S corporations and partnerships); 8868 (automatic filing extension for tax-exempt organizations); and CT-1X (adjusted railroad retirement tax return).

NOTE: Detail may not add to totals because of rounding.

SOURCE: Research, Analysis, and Statistics, Office of Research.

**Table 3. Number of Returns and Other Forms Filed, by Type and State, Fiscal Year 2014**

State or area	Total returns [1]	C or other corporation income tax [2]	S corporation	Partnership	Individual income tax, employment taxes, and estate and trust income tax		
					Individual income tax [3]	Individual estimated income tax	Estate and trust income tax
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b>United States, total</b>	<b>239,874,741</b>	<b>2,220,921</b>	<b>4,642,817</b>	<b>3,799,428</b>	<b>147,444,789</b>	<b>23,608,340</b>	<b>3,205,595</b>
Alabama	3,074,293	17,613	50,438	45,905	2,048,463	252,431	29,602
Alaska	584,480	3,362	9,160	7,383	357,733	47,482	4,178
Arizona	4,485,975	33,844	83,945	84,956	2,805,861	430,138	49,609
Arkansas	1,933,942	12,843	40,852	29,150	1,219,841	167,564	16,814
California	28,720,123	317,637	473,550	400,646	17,155,206	3,052,742	332,656
Colorado	4,407,894	35,374	117,792	98,071	2,495,936	468,559	46,664
Connecticut	2,948,257	24,959	28,097	67,534	1,752,898	378,343	52,208
Delaware	757,208	9,990	14,677	16,076	438,240	76,046	24,888
District of Columbia	585,665	11,829	5,873	10,877	332,396	65,395	6,844
Florida	16,408,264	198,633	608,236	239,970	9,350,393	1,486,928	185,843
Georgia	6,826,489	50,862	168,878	97,854	4,355,079	477,554	50,411
Hawaii	1,108,736	12,756	14,543	12,239	675,858	135,814	14,129
Idaho	1,176,813	7,936	26,827	26,371	688,751	113,146	9,437
Illinois	9,998,165	99,333	247,655	123,306	6,121,352	968,958	233,094
Indiana	4,593,690	21,468	90,547	57,506	3,048,651	470,490	39,891
Iowa	2,398,672	21,211	40,572	36,398	1,435,089	324,403	31,245
Kansas	2,204,297	16,779	34,661	36,691	1,328,787	257,029	28,214
Kentucky	2,859,381	15,470	51,334	42,161	1,887,430	266,566	26,873
Louisiana	3,191,882	26,560	59,254	62,492	2,004,832	261,342	21,785
Maine	1,083,248	7,517	22,671	12,581	633,662	114,441	30,693
Maryland	4,693,024	53,359	76,297	69,209	2,940,059	493,514	55,701
Massachusetts	5,537,843	53,892	90,448	72,530	3,299,297	662,045	149,346
Michigan	7,210,281	58,715	132,444	105,406	4,663,269	712,095	78,345
Minnesota	4,406,209	32,795	93,834	64,887	2,652,227	511,237	47,233
Mississippi	1,847,620	11,901	28,874	27,456	1,246,984	136,429	10,964
Missouri	4,488,629	32,060	66,824	69,643	2,742,888	435,651	154,380
Montana	929,618	9,748	24,888	19,357	486,592	111,438	8,080
Nebraska	1,487,400	11,965	31,782	25,122	882,429	167,673	21,306
Nevada	2,069,872	26,574	43,439	47,249	1,307,349	157,018	19,413
New Hampshire	1,107,000	10,252	11,796	16,726	680,729	133,587	16,543
New Jersey	7,347,485	72,424	118,768	163,315	4,332,769	799,742	152,511
New Mexico	1,410,550	8,871	20,793	19,370	906,337	140,197	11,156
New York	15,866,679	250,046	396,369	280,754	9,466,459	1,403,518	285,032
North Carolina	6,747,162	53,382	139,152	96,137	4,318,220	619,678	61,725
North Dakota	667,690	4,497	11,392	12,984	361,952	103,928	6,562
Ohio	8,416,238	55,276	120,138	121,262	5,541,252	793,562	133,535
Oklahoma	2,708,287	17,873	55,148	46,544	1,627,694	257,804	28,698
Oregon	3,099,035	20,480	54,234	48,262	1,789,210	374,911	35,611
Pennsylvania	9,699,299	57,220	160,091	139,053	6,154,779	1,121,592	158,399
Rhode Island	850,759	5,969	17,800	11,014	518,077	84,721	27,121
South Carolina	3,196,445	23,531	60,973	48,251	2,089,348	287,802	23,996
South Dakota	745,690	4,513	14,073	14,563	416,267	95,827	14,028
Tennessee	4,278,396	30,742	35,885	66,735	2,904,567	388,053	38,716
Texas	18,551,291	167,327	282,011	356,156	11,693,399	1,442,398	210,399
Utah	2,040,447	14,476	57,777	69,915	1,194,382	139,913	16,876
Vermont	572,375	4,867	11,115	7,016	320,980	80,835	7,360
Virginia	6,118,884	53,729	113,702	88,114	3,833,510	665,401	57,435
Washington	5,472,716	38,274	97,074	79,697	3,281,026	591,228	62,786
West Virginia	1,157,042	7,603	12,443	13,341	784,830	116,652	11,810
Wisconsin	4,395,017	31,684	59,855	61,501	2,803,790	510,583	54,861
Wyoming	535,781	5,274	12,900	14,235	288,969	57,507	7,035
Puerto Rico	562,410	431	194	686	261,182	68,036	287
Other [9]	2,310,093	45,195	742	14,771	1,517,509	128,394	3,267

Footnotes at end of table.

**Table 3. Number of Returns and Other Forms Filed, by Type and State, Fiscal Year 2014—Continued**

State or area	Individual income tax, employment taxes, and estate and trust income tax—continued		Estate tax [5]	Gift tax	Excise taxes [6]	Tax-exempt organizations [7]	Supplemental documents [8]
	Estate and trust estimated income tax	Employment taxes [4]					
	(8)	(9)					
United States, total	617,649	30,065,749	34,132	334,641	987,238	1,467,402	21,446,040
Alabama	5,365	353,564	255	3,163	15,016	16,792	235,686
Alaska	1,067	79,939	38	567	3,433	4,682	65,456
Arizona	7,563	508,257	410	4,626	9,225	19,344	448,197
Arkansas	2,833	246,758	126	1,443	12,583	10,874	172,261
California	64,013	3,605,271	4,761	38,211	74,047	162,832	3,038,551
Colorado	10,191	630,452	467	6,260	13,752	25,100	459,276
Connecticut	13,175	351,781	756	8,059	7,242	18,901	244,304
Delaware	10,202	90,279	93	933	2,103	6,757	66,924
District of Columbia	2,155	72,024	133	1,246	503	11,517	64,873
Florida	38,341	2,127,753	2,298	30,461	44,554	133,634	1,961,220
Georgia	11,775	852,680	596	6,909	28,446	32,739	692,706
Hawaii	4,072	120,548	163	1,515	1,332	6,471	109,296
Idaho	1,616	183,480	109	1,251	8,763	6,898	102,228
Illinois	27,385	1,297,965	1,360	13,144	55,406	62,233	746,974
Indiana	6,765	530,626	330	4,701	28,309	31,345	263,061
Iowa	6,378	318,216	713	2,851	28,499	26,035	127,062
Kansas	5,042	298,049	350	3,143	18,331	15,150	162,071
Kentucky	6,475	341,532	198	3,078	15,979	15,545	186,740
Louisiana	4,751	400,945	218	3,042	15,428	15,058	316,175
Maine	3,501	161,065	128	1,251	5,558	9,017	81,163
Maryland	16,343	530,995	932	7,011	11,143	27,049	411,412
Massachusetts	30,919	695,896	1,231	12,396	12,526	40,440	416,877
Michigan	18,573	873,904	520	6,873	29,595	41,012	489,530
Minnesota	8,026	602,853	1,036	7,483	39,239	32,085	313,274
Mississippi	2,812	214,700	111	1,383	11,354	11,014	143,638
Missouri	12,928	616,096	429	5,322	27,260	32,199	292,949
Montana	1,519	158,392	103	1,284	8,205	8,375	91,637
Nebraska	2,262	216,418	304	2,524	21,698	11,384	92,533
Nevada	3,878	225,190	200	2,348	7,360	7,335	222,519
New Hampshire	4,869	141,034	121	1,985	4,342	8,144	76,872
New Jersey	20,781	979,583	1,968	12,848	20,979	39,934	631,863
New Mexico	2,866	165,899	119	1,341	6,071	8,385	119,145
New York	41,584	2,303,083	3,873	30,203	27,570	93,076	1,285,112
North Carolina	11,678	833,584	777	7,114	29,454	42,179	534,082
North Dakota	1,131	101,337	106	1,257	16,066	4,998	41,480
Ohio	29,626	927,282	900	9,695	36,940	58,550	588,220
Oklahoma	8,069	360,183	286	2,773	11,295	15,399	276,521
Oregon	5,656	432,575	455	3,754	12,728	21,994	299,165
Pennsylvania	31,737	1,143,216	1,230	12,893	38,090	66,650	614,349
Rhode Island	3,253	112,496	204	1,136	2,178	9,350	57,440
South Carolina	6,001	380,713	278	3,527	13,052	15,665	243,308
South Dakota	1,875	110,458	158	1,701	14,191	5,608	52,428
Tennessee	9,232	463,629	538	4,635	19,168	22,234	294,262
Texas	59,068	2,058,841	1,735	26,446	80,477	85,580	2,087,454
Utah	3,544	300,640	149	1,540	7,437	8,994	224,804
Vermont	2,208	88,251	82	766	3,015	5,736	40,144
Virginia	15,987	736,927	800	8,053	18,005	36,954	490,267
Washington	12,335	718,513	599	7,458	22,856	31,552	529,318
West Virginia	3,210	133,043	69	896	5,548	8,292	59,305
Wisconsin	9,717	545,831	470	6,388	27,048	29,897	253,392
Wyoming	2,144	86,442	51	1,180	4,081	4,179	51,784
Puerto Rico	162	207,783	36	84	111	1,021	22,397
Other [9]	991	28,778	760	4,490	9,647	1,214	554,335

Footnotes at end of table.

**Table 3. Number of Returns and Other Forms Filed, by Type and State, Fiscal Year 2014—Continued****Footnotes**

- [1] Excludes information returns (e.g., Forms 1098, 1099, 5498, W-2, and W-2G, and Schedule K-1); tax-exempt bond returns (Forms 8038, 8038-B, 8038-CP, 8038-G, 8038-GC, 8038-T, 8038-TC, and 8328); and employee retirement benefit plan returns (Forms 5500, 5500-EZ, and 5500-SF). See Table 13 for information on tax-exempt bond returns. See Tables 13 and 23 for information on employee retirement benefit plans. See Table 14 for data on information returns.
- [2] Includes Form 1066 (real estate mortgage investment conduit income tax return) and the Form 1120 series as follows: 1120 (corporation income tax return); 1120-C (cooperative association income tax return); 1120-F (foreign corporation income tax return, except foreign life insurance company, foreign property and casualty insurance company, or foreign sales corporation); 1120-FSC (foreign sales corporation income tax return); 1120-H (homeowner association income tax return); 1120-L (life insurance company income tax return); 1120-ND (return for nuclear decommissioning funds); 1120-PC (property and casualty insurance company income tax return); 1120-POL (income tax return for certain political organizations); 1120-REIT (real estate investment trust income tax return); 1120-RIC (regulated investment company income tax return); and 1120-SF (income tax return for settlement funds). Form 1120-X (amended corporation income tax return) is included with Supplemental documents in this table.
- Excludes Form 990-T (tax-exempt organization unrelated business income tax return), which is included under Tax-exempt organizations in this table, although the tax reported on these returns is combined with Business income taxes in other tables.
- [3] Includes the Form 1040 series as follows: 1040 (individual income tax return); 1040-A (individual income tax return, short form); 1040-EZ (individual income tax return for single and joint filers with no dependents); 1040-C (income tax return for departing aliens); 1040-NR (nonresident alien income tax return); 1040NR-EZ (income tax return for certain nonresident aliens with no dependents); 1040-PR (self-employment income tax return for Puerto Rico residents); and 1040-SS (self-employment income tax return for U.S. Virgin Islands, Guam, American Samoa, and Northern Mariana Islands residents). Form 1040-X (amended individual income tax return) is included with Supplemental documents in this table.
- [4] Includes Forms 940 (employer's Federal unemployment tax return); 940-EZ (employer's Federal unemployment tax return, short form); 940-PR (unemployment tax return for Puerto Rico residents); 941 (employer's quarterly tax return for income and Social Security taxes withheld for other than household and agricultural employees); 941-PR/SS (employer's quarterly tax return for Puerto Rico residents, or for U.S. Virgin Islands, Guam, American Samoa, and Northern Mariana Islands residents); 943 (employer's tax return for agricultural employees); 943-PR/SS (employer's tax return for agricultural employees for Puerto Rico residents, or for U.S. Virgin Islands, Guam, American Samoa, and Northern Mariana Islands residents); 944 (employer's annual tax return); 944-PR/SS (employer's annual tax return for Puerto Rico residents, or for U.S. Virgin Islands, Guam, American Samoa, and Northern Mariana Islands residents); and 945 (tax return of withheld income tax from nonpayroll distributions). Also includes Forms 1042 (tax return of withheld income tax on U.S.-source income of foreign persons); and CT-1 (railroad retirement tax return). Forms 941-X (adjusted employer's tax return for income and Social Security taxes withheld for other than household and agricultural employees); 943-X (adjusted employer's tax return for agricultural employees); 944-X (adjusted employer's tax return); 945-X (adjusted annual return of withheld Federal income tax or claim for refund); and CT-1X (adjusted railroad retirement tax return) are included in Supplemental documents.
- [5] Includes the Form 706 series as follows: 706 (estate and generation-skipping transfer tax return); 706-GS(D) (generation-skipping transfer tax return for distributions); 706-GS(T) (generation-skipping transfer tax return for terminations); and 706-NA (estate and generation-skipping transfer tax return for nonresident aliens).
- [6] Includes Forms 11-C (occupational tax and registration for wagering return); 720 (excise tax return); 730 (excise tax return for wagering); 2290 (heavy highway vehicle use tax return) and 5330 (excise taxes related to employee retirement benefit plans return). Excludes excise tax returns filed with the U.S. Customs and Border Protection and the Alcohol and Tobacco Tax and Trade Bureau. Form 4720 (excise tax return of charities and other persons) is included with Tax-exempt organizations in this table.
- [7] Includes the Form 990 series as follows: 990 (tax-exempt organization information return, long form); 990-EZ (tax-exempt organization information return, short form); 990-N (electronic notice (e-Postcard) for tax-exempt organizations not required to file Forms 990 or 990-EZ); 990-PF (private foundation information return); and 990-T (tax-exempt organization unrelated business income tax return). Also includes Forms 4720 (excise tax return of charities and other persons); 5227 (split-interest trust information return); and 8872 (political organization report of contributions and expenditures). Tax collected on Form 990-T is combined with Business income taxes in other tables.
- [8] Includes Forms 941-X (adjusted employer's tax return for income and Social Security taxes withheld for other than household and agricultural employees); 943-X (adjusted employer's tax return for agricultural employees); 944-X (adjusted employer's tax return); 945-X (adjusted annual return of withheld Federal income tax or claim for refund); 1040-X (amended individual income tax return); 1041-A (information return of charitable contribution deductions by certain trusts); 1120-X (amended corporation income tax return); 4868 (automatic filing extension for individuals); 5558 (filing extension for certain employee retirement plan returns); 7004 (automatic filing extension for corporations); 8752 (required payment or refund for certain S corporations and partnerships); 8868 (automatic filing extension for tax-exempt organizations); and CT-1X (adjusted railroad retirement tax return).
- [9] Includes U.S. Territories other than Puerto Rico, U.S. Armed Service members overseas, and international.

**NOTES:**

Detail may not add to totals because of rounding.

Classification by State is based on the individual's address (or, in the case of businesses, the location of the principal office or place of business). However, some individuals may use the address of a tax attorney or accountant. Sole proprietors, partners in a partnership, or shareholders in an S corporation may use their business addresses. Such addresses could have been located in a State other than the State in which the individual resided. Similarly, taxes withheld reported by employers located near a State boundary might include substantial amounts withheld from salaries of employees who reside in a neighboring State. Also, while taxes of corporations may be paid from the principal office, the operations of these corporations may be located in one or more States.

SOURCE: Research, Analysis, and Statistics, Office of Research.

**Table 4. Number of Returns and Other Forms Filed Electronically, by Type and State, Fiscal Year 2014**

State or area	Total returns [1]	C or other corporation income tax [2]	S corporation	Partnership	Individual income tax	
					Total individual returns [3]	Online
						Total filed [4]
	(1)	(2)	(3)	(4)	(5)	(6)
<b>United States, total</b>	<b>157,187,971</b>	<b>1,173,505</b>	<b>3,439,645</b>	<b>2,813,102</b>	<b>124,585,594</b>	<b>47,309,667</b>
Alabama	2,122,412	10,456	40,500	36,809	1,785,868	612,321
Alaska	371,057	1,524	6,851	5,205	301,830	151,349
Arizona	2,939,657	12,059	50,573	49,203	2,339,074	977,840
Arkansas	1,288,659	6,957	29,862	19,878	1,068,538	349,538
California	18,641,804	168,866	354,755	287,033	14,258,526	4,175,770
Colorado	2,747,117	15,905	86,570	69,984	2,089,092	946,711
Connecticut	1,902,265	12,119	19,878	46,491	1,485,673	545,133
Delaware	486,149	4,877	10,028	11,329	369,600	165,767
District of Columbia	368,113	2,722	3,888	7,388	267,535	126,414
Florida	10,570,992	89,829	419,280	173,324	7,837,927	3,170,610
Georgia	4,757,554	26,298	128,447	75,316	3,756,884	1,517,913
Hawaii	632,712	4,321	7,685	6,400	530,129	203,071
Idaho	746,042	3,846	21,991	21,661	600,670	243,019
Illinois	6,486,314	42,931	160,938	82,800	5,178,587	1,899,782
Indiana	3,114,086	8,799	52,924	34,786	2,686,635	1,125,278
Iowa	1,538,485	12,477	31,942	27,608	1,308,949	396,114
Kansas	1,455,173	11,022	27,928	29,394	1,185,605	443,430
Kentucky	1,935,591	6,245	29,426	24,592	1,667,806	570,340
Louisiana	2,119,668	14,003	42,247	43,732	1,706,521	654,133
Maine	671,434	3,571	16,872	9,495	526,857	233,227
Maryland	2,929,626	17,942	52,883	47,024	2,334,871	973,545
Massachusetts	3,783,338	32,495	81,853	64,758	2,799,266	1,019,533
Michigan	4,869,012	38,147	108,678	86,158	4,024,307	1,462,478
Minnesota	2,895,043	14,978	75,762	51,337	2,313,116	843,023
Mississippi	1,271,183	6,570	21,202	20,163	1,091,811	377,757
Missouri	2,957,751	16,384	49,048	49,475	2,371,106	923,857
Montana	555,370	5,561	20,179	15,578	426,397	151,627
Nebraska	968,080	7,338	24,515	18,446	799,270	294,514
Nevada	1,406,563	13,817	32,662	34,939	1,098,042	440,635
New Hampshire	710,413	5,148	8,564	11,932	576,171	286,004
New Jersey	4,888,879	41,771	90,661	135,703	3,643,077	994,642
New Mexico	904,532	4,077	13,789	12,736	764,652	319,553
New York	11,133,581	179,842	357,060	252,305	8,304,372	2,188,429
North Carolina	4,434,206	19,515	78,398	54,658	3,728,805	1,485,098
North Dakota	388,756	2,759	9,120	10,327	319,798	107,897
Ohio	5,715,725	29,262	81,436	85,152	4,765,454	2,062,178
Oklahoma	1,771,269	9,154	38,017	31,166	1,421,721	545,827
Oregon	1,941,344	10,767	40,925	35,330	1,499,695	681,884
Pennsylvania	6,327,175	31,742	123,505	107,340	5,168,354	2,069,094
Rhode Island	593,932	3,569	14,936	9,140	447,434	140,195
South Carolina	2,175,711	11,431	46,345	33,769	1,820,654	693,270
South Dakota	458,741	2,896	11,968	12,179	371,900	142,976
Tennessee	2,952,021	18,618	28,548	52,730	2,528,424	1,093,259
Texas	12,330,278	91,388	202,635	254,658	9,802,493	4,370,192
Utah	1,394,793	7,290	47,080	56,200	1,041,692	452,735
Vermont	342,405	2,127	7,248	4,766	273,357	118,582
Virginia	3,984,666	26,708	82,642	62,575	3,242,038	1,585,145
Washington	3,465,179	19,020	74,474	59,278	2,767,810	1,432,581
West Virginia	748,660	3,326	7,498	7,512	670,849	291,018
Wisconsin	2,938,811	22,203	54,220	54,344	2,444,495	957,772
Wyoming	329,127	3,061	10,679	11,468	253,434	108,578
Puerto Rico	75,103	92	99	293	66,115	5,776
Other [11]	651,414	15,680	431	7,235	452,308	182,253

Footnotes at end of table.

**Table 4. Number of Returns and Other Forms Filed Electronically, by Type and State, Fiscal Year 2014—Continued**

State or area	Individual income tax—continued		Estate and trust income tax	Employment taxes [7]	Excise taxes [8]	Tax-exempt organizations [9]	Supplemental documents [10]
	Online—continued	Practitioner filed [6]					
	Free File [5]						
	(7)						
United States, total	3,261,248	77,275,927	2,334,249	9,615,578	253,158	837,997	12,135,143
Alabama	39,515	1,173,547	21,674	66,424	4,431	11,547	144,703
Alaska	6,909	150,481	2,840	11,088	258	2,966	38,495
Arizona	64,940	1,361,234	35,140	186,577	2,748	11,454	252,829
Arkansas	32,069	719,000	12,314	32,748	3,700	7,387	107,275
California	256,996	10,082,756	228,729	1,611,696	22,906	78,070	1,631,223
Colorado	55,552	1,142,381	31,052	173,233	3,824	15,436	262,021
Connecticut	30,365	940,540	33,941	162,362	1,093	10,972	129,736
Delaware	12,853	203,833	17,024	32,340	246	3,397	37,308
District of Columbia	9,111	141,121	3,849	42,940	35	7,206	32,550
Florida	162,157	4,667,317	136,583	712,363	14,756	38,712	1,148,218
Georgia	115,175	2,238,971	33,852	280,054	9,097	20,975	426,631
Hawaii	12,327	327,058	8,777	27,695	209	3,779	43,717
Idaho	20,515	357,651	6,827	19,933	1,414	4,775	64,925
Illinois	129,594	3,278,805	180,953	392,980	16,842	33,951	396,332
Indiana	122,931	1,561,357	24,154	134,846	6,604	18,254	147,084
Iowa	29,190	912,835	17,727	36,037	6,444	19,405	77,896
Kansas	30,003	742,175	20,974	65,141	4,963	10,279	99,867
Kentucky	49,918	1,097,466	19,029	71,464	3,621	9,751	103,657
Louisiana	40,688	1,052,388	15,222	88,131	4,182	10,099	195,531
Maine	15,316	293,630	8,055	51,303	638	6,048	48,595
Maryland	56,049	1,361,326	33,557	208,053	1,911	17,046	216,339
Massachusetts	63,374	1,779,733	120,769	396,775	2,265	21,125	264,032
Michigan	128,310	2,561,829	55,954	226,821	7,118	26,464	295,365
Minnesota	66,571	1,470,093	32,523	193,932	7,736	19,463	186,196
Mississippi	33,543	714,054	8,081	24,776	3,318	8,035	87,227
Missouri	77,910	1,447,249	134,359	136,804	6,524	20,087	173,964
Montana	13,542	274,770	5,822	15,228	1,879	6,168	58,558
Nebraska	20,108	504,756	16,151	32,761	4,385	7,688	57,526
Nevada	18,774	657,407	13,618	80,823	1,394	4,694	126,574
New Hampshire	13,711	290,167	11,171	50,257	684	5,080	41,406
New Jersey	52,773	2,648,435	121,426	474,952	3,977	20,956	356,356
New Mexico	20,933	445,099	7,592	26,543	3,231	5,585	66,327
New York	192,345	6,115,943	241,543	878,995	5,377	54,855	859,232
North Carolina	105,197	2,243,707	41,323	213,154	4,999	22,271	271,083
North Dakota	9,470	211,901	4,594	10,880	3,306	3,379	24,593
Ohio	159,041	2,703,276	95,806	276,845	8,975	36,923	335,872
Oklahoma	47,829	875,894	20,336	73,452	3,360	9,989	164,074
Oregon	57,530	817,811	25,282	135,112	2,888	13,778	177,567
Pennsylvania	154,879	3,099,260	108,266	399,530	8,106	38,083	342,249
Rhode Island	11,001	307,239	20,970	62,514	296	3,441	31,632
South Carolina	67,782	1,127,384	15,910	89,542	2,600	10,171	145,289
South Dakota	8,355	228,924	11,509	8,216	3,765	4,053	32,255
Tennessee	71,132	1,435,165	27,761	106,314	6,370	14,496	168,760
Texas	207,828	5,432,301	151,137	598,872	28,070	56,063	1,144,962
Utah	26,683	588,957	11,867	77,369	2,723	5,555	145,017
Vermont	11,074	154,775	4,938	26,228	265	3,668	19,808
Virginia	126,026	1,656,893	35,844	236,103	4,053	23,977	270,726
Washington	75,865	1,335,229	44,787	173,786	4,374	20,921	300,729
West Virginia	25,630	379,831	8,651	13,623	901	5,322	30,978
Wisconsin	74,171	1,486,723	37,390	139,985	4,739	20,418	161,017
Wyoming	4,833	144,856	5,435	8,804	1,222	3,002	32,022
Puerto Rico	1,145	60,339	d	5,176	d	373	2,856
Other [11]	21,710	270,055	d	13,998	d	405	155,959

Footnotes at end of table.

**Table 4. Number of Returns and Other Forms Filed Electronically, by Type and State, Fiscal Year 2014—Continued****Footnotes**

d—Not shown to avoid disclosure of information about specific taxpayers. However, the data are included in the appropriate totals.

- [1] Excludes returns that do not have the option of filing electronically; information returns (e.g., Forms 1098, 1099, 5498, W-2, and W-2G, and Schedule K-1); tax-exempt bond returns (Forms 8038, 8038-B, 8038-CP, 8038-G, 8038-GC, 8038-T, 8038-TC, and 8328); and employee retirement benefit plan returns (Forms 5500, 5500-EZ, and 5500-SF).
- [2] Includes Forms 1120 (corporation income tax return); 1120-F (foreign corporation income tax return, except foreign life insurance company, foreign property and casualty insurance company, or foreign sales corporation); and 1120-POL (income tax return for certain political organizations).
- [3] Includes some of the Form 1040 series as follows: 1040 (individual income tax return); 1040-A (individual income tax return, short form); 1040-EZ (individual income tax return for single and joint filers with no dependents); 1040-PR (self-employment income tax return for Puerto Rico residents); and 1040-SS (self-employment income tax return for U.S. Virgin Islands, Guam, American Samoa, and Northern Mariana Islands residents).
- [4] Online e-filing is an option that allows taxpayers to prepare and file tax returns using a personal computer. Online returns can be filed through one of two processes: taxpayers either complete a tax return on a Website without downloading any software, or taxpayers purchase and load software onto their personal computers, prepare their returns, and transmit them to the IRS through an online filing company.
- [5] Includes two Free File income tax preparation and electronic filing options: (1) all taxpayers could use Free File Fillable Forms, an electronic version of paper returns that performs simple mathematical calculations; and (2) taxpayers with adjusted gross incomes of \$58,000 or less could prepare and file their taxes using commercial online software provided through a partnership between the Internal Revenue Service and Free File Alliance, LLC, a group of private sector tax software companies. The Free File Fillable Forms and Free File commercial online software were both available through IRS.gov.
- [6] Includes cases in which a taxpayer transmitted the return via an authorized e-file provider, who was, in most cases, also the preparer of the return.
- [7] Includes Forms 940 (employer's Federal unemployment tax return); 941 (employer's quarterly tax return for income and Social Security taxes withheld for other than household and agricultural employees); 941-PR/SS (employer's quarterly tax return for Puerto Rico residents, or for U.S. Virgin Islands, Guam, American Samoa, and Northern Mariana Islands residents); 943 (employer's tax return for agricultural employees); 943-PR/SS (employer's tax return for agricultural employees for Puerto Rico residents, or for U.S. Virgin Islands, Guam, American Samoa, and Northern Mariana Islands residents); 944 (employer's annual tax return); and 945 (tax return of withheld income tax from nonpayroll distributions).
- [8] Includes Form 720 (excise tax return) and Form 2290 (heavy highway vehicle use tax return).
- [9] Includes some of the Form 990 series as follows: 990 (tax-exempt organization information return, long form); 990-EZ (tax-exempt organization information return, short form); 990-N (electronic notice (e-Postcard) for tax-exempt organizations not required to file Forms 990 or 990-EZ); and 990-PF (private foundation information return). Also includes Form 8872 (political organization report of contributions and expenditures).
- [10] Includes Forms 4868 (automatic filing extension for individuals); 7004 (automatic filing extension for corporations); and 8868 (automatic filing extension for tax-exempt organizations).
- [11] Includes U.S. Territories other than Puerto Rico, U.S. Armed Service members overseas, and international.

**NOTES:**

Detail may not add to totals because of rounding.

Classification by State is based on the individual's address (or, in the case of businesses, the location of the principal office or place of business). However, some individuals may use the address of a tax attorney or accountant. Sole proprietors, partners in a partnership, or shareholders in an S corporation may use their business addresses. Such addresses could have been located in a State other than the State in which the individual resided. Similarly, taxes withheld reported by employers located near a State boundary might include substantial amounts withheld from salaries of employees who reside in a neighboring State. Also, while taxes of corporations may be paid from the principal office, the operations of these corporations may be located in one or more States.

SOURCE: Research, Analysis, and Statistics, Office of Research.

**Table 5. Gross Collections, by Type of Tax and State, Fiscal Year 2014**

[Money amounts are in thousands of dollars]

State or area	Total Internal Revenue collections [1]	Business income taxes [2]	Individual income tax, employment taxes, and estate and trust income tax		
			Total	Individual income tax withheld and FICA tax [3]	Individual income tax payments and SECA tax [3]
	(1)	(2)	(3)	(4)	(5)
<b>United States, total [5]</b>	<b>3,064,301,358</b>	<b>353,141,112</b>	<b>2,619,847,215</b>	<b>2,067,747,446</b>	<b>508,123,572</b>
Alabama	23,789,249	1,484,582	21,820,797	17,459,314	4,159,796
Alaska	5,449,061	179,898	5,213,654	4,006,269	1,141,328
Arizona	40,530,219	4,380,014	34,357,778	26,820,613	7,130,490
Arkansas	30,728,862	7,611,308	22,353,431	19,008,318	3,017,812
California	369,193,162	46,236,808	314,319,084	236,744,881	73,890,637
Colorado	52,002,903	7,339,139	43,660,813	33,784,590	9,432,728
Connecticut	57,697,380	8,633,070	47,265,116	34,621,844	11,690,228
Delaware	19,039,980	4,335,398	14,146,624	12,368,330	980,907
District of Columbia	26,432,733	1,322,308	25,049,824	22,304,073	2,117,532
Florida	154,353,070	9,015,856	141,912,552	102,167,987	36,766,709
Georgia	79,565,715	10,736,886	64,674,241	53,415,484	10,532,991
Hawaii	7,722,840	376,857	7,090,806	5,320,158	1,659,610
Idaho	9,223,749	333,880	8,788,307	6,879,043	1,769,742
Illinois	148,332,148	20,034,959	123,885,426	98,066,809	22,121,808
Indiana	54,606,571	4,561,915	48,027,054	40,856,692	6,611,136
Iowa	22,309,198	1,544,385	20,398,887	16,209,366	4,044,743
Kansas	25,896,981	2,166,100	21,819,357	16,963,445	4,444,905
Kentucky	30,128,276	2,324,359	26,911,767	23,137,141	3,527,066
Louisiana	43,023,097	1,604,433	40,613,155	33,624,610	6,643,094
Maine	6,901,517	292,164	6,452,674	5,108,874	1,259,769
Maryland	59,613,635	3,176,203	55,800,282	45,671,241	9,466,970
Massachusetts	100,160,858	9,277,736	89,106,987	70,475,998	17,408,851
Michigan	71,183,803	5,022,559	65,478,941	53,851,276	10,759,533
Minnesota	96,227,262	19,417,565	74,153,885	65,229,199	8,373,378
Mississippi	11,011,288	693,586	10,122,056	7,727,939	2,298,421
Missouri	61,511,933	9,946,571	50,072,510	42,241,490	6,988,952
Montana	5,338,004	194,463	5,053,198	3,520,716	1,457,712
Nebraska	23,884,904	7,269,170	16,416,668	12,311,264	2,752,809
Nevada	16,578,585	777,910	15,264,612	10,279,657	4,517,211
New Hampshire	11,043,784	236,410	10,437,649	7,668,149	1,973,030
New Jersey	134,869,876	21,813,832	109,983,681	90,591,698	18,161,703
New Mexico	8,758,418	231,314	8,233,829	6,140,587	2,011,549
New York	250,618,177	28,664,811	217,823,234	162,914,752	51,360,309
North Carolina	72,471,513	8,698,479	63,172,182	53,256,233	9,314,989
North Dakota	7,585,145	560,449	6,939,582	4,535,198	2,360,455
Ohio	129,901,095	12,286,168	113,211,893	99,812,401	12,032,324
Oklahoma	32,610,983	4,049,061	24,339,580	18,134,739	5,455,218
Oregon	28,409,241	1,920,303	25,598,367	20,537,610	4,827,081
Pennsylvania	126,374,146	12,619,448	109,883,768	91,264,936	16,813,695
Rhode Island	13,887,904	3,683,902	10,058,643	8,480,558	1,326,051
South Carolina	22,242,016	1,567,705	20,290,724	15,858,579	4,228,258
South Dakota	6,733,600	404,686	6,256,818	3,718,484	1,743,325
Tennessee	56,936,715	5,905,079	49,504,974	42,192,699	6,846,802
Texas	265,336,183	32,585,544	211,993,178	158,014,318	48,632,252
Utah	18,389,171	1,557,838	16,186,263	12,719,019	3,284,257
Vermont	4,324,613	351,999	3,912,161	3,045,319	822,239
Virginia	75,048,791	11,378,112	63,044,178	49,929,092	11,933,483
Washington	67,812,753	5,612,788	60,801,922	47,073,817	13,133,866
West Virginia	6,885,260	374,563	6,438,716	5,084,700	1,294,808
Wisconsin	49,592,070	6,021,437	42,831,333	34,703,911	7,163,614
Wyoming	4,891,559	185,588	4,570,938	2,568,717	1,778,596
U.S. Armed Service members overseas and Territories other than Puerto Rico	693,479	3,698	687,428	548,615	121,263
Puerto Rico	3,554,320	118,689	3,333,976	2,939,203	367,025
International	10,924,328	1,891,507	8,659,544	4,338,006	4,285,672
Undistributed [6]	1,969,237	127,623	1,422,167	1,499,485	-115,160

Footnotes at end of table.

**Table 5. Gross Collections, by Type of Tax and State, Fiscal Year 2014—Continued**

[Money amounts are in thousands of dollars]

State or area	Individual income tax, employment taxes, and estate and trust income tax—continued			Estate tax	Gift tax [4]	Excise taxes [1]
	Unemployment insurance tax	Railroad retirement tax	Estate and trust income tax			
	(6)	(7)	(8)	(9)	(10)	(11)
<b>United States, total [5]</b>	<b>8,611,877</b>	<b>5,953,524</b>	<b>29,410,796</b>	<b>17,572,338</b>	<b>2,582,617</b>	<b>71,158,076</b>
Alabama	66,766	2,794	132,127	166,134	9,189	308,548
Alaska	12,384	2,073	51,600	4,856	592	50,060
Arizona	110,278	1,879	294,519	268,951	13,548	1,509,929
Arkansas	186,861	2,977	137,464	112,746	2,908	648,469
California	1,387,204	21,543	2,274,818	3,599,512	595,894	4,441,865
Colorado	101,446	17,240	324,809	162,864	14,142	825,945
Connecticut	134,272	5,303	813,469	361,084	164,782	1,273,328
Delaware	29,774	183	767,430	19,333	1,541	537,084
District of Columbia	16,266	556,635	55,319	29,664	3,596	27,341
Florida	415,853	813,164	1,748,839	1,980,868	131,077	1,312,718
Georgia	346,855	2,201	376,711	296,095	768,552	3,089,941
Hawaii	16,352	0	94,686	31,992	1,636	221,549
Idaho	36,145	880	102,498	41,505	586	59,470
Illinois	314,503	231,723	3,150,584	804,416	13,001	3,594,346
Indiana	236,420	30,140	292,667	307,802	26,715	1,683,085
Iowa	50,750	5,966	88,062	97,385	6,759	261,782
Kansas	68,262	196,220	146,525	210,903	2,724	1,697,898
Kentucky	127,946	12,414	107,199	93,444	5,356	793,351
Louisiana	70,140	4,439	270,871	151,567	18,493	635,449
Maine	18,291	3,035	62,704	48,082	1,252	107,345
Maryland	103,131	13,747	545,192	264,370	43,445	329,335
Massachusetts	178,947	79,409	963,782	317,766	26,707	1,431,661
Michigan	195,247	91,074	581,811	331,409	-6,993	357,887
Minnesota	203,858	96,078	251,372	171,755	32,959	2,451,099
Mississippi	30,945	1,202	63,549	47,969	2,176	145,500
Missouri	224,883	82,962	534,223	281,148	9,786	1,201,918
Montana	13,852	25,865	35,054	46,148	2,131	42,064
Nebraska	36,272	1,229,093	87,231	77,247	4,883	116,935
Nevada	44,647	84	423,012	401,338	9,274	125,451
New Hampshire	21,939	51	774,480	66,904	24,942	277,879
New Jersey	244,014	147,015	839,250	364,396	46,463	2,661,505
New Mexico	22,173	71	59,450	75,750	2,378	215,146
New York	689,718	386,964	2,471,490	1,684,333	208,243	2,237,556
North Carolina	336,642	7,933	256,384	298,755	8,304	293,792
North Dakota	14,413	6,040	23,476	24,933	5,833	54,348
Ohio	472,820	23,244	871,104	466,177	21,375	3,915,483
Oklahoma	71,624	2,817	675,182	115,025	5,132	4,102,186
Oregon	74,629	725	158,323	80,321	25,139	785,109
Pennsylvania	291,364	66,061	1,447,712	453,983	38,343	3,378,606
Rhode Island	47,124	12	204,899	38,701	11,495	95,164
South Carolina	61,703	1,371	140,813	126,204	2,279	255,104
South Dakota	11,948	678	782,383	28,591	938	42,567
Tennessee	193,451	2,753	269,270	143,971	7,177	1,375,514
Texas	547,231	1,050,867	3,748,510	1,557,068	89,865	19,110,528
Utah	52,718	5,492	124,777	42,186	4,524	598,361
Vermont	8,976	2,465	33,162	30,524	253	29,676
Virginia	161,295	702,223	318,085	379,650	8,058	238,793
Washington	175,934	9,279	409,025	311,272	122,072	964,698
West Virginia	16,291	539	42,378	15,637	382	55,961
Wisconsin	235,497	3,962	724,349	166,229	3,768	569,303
Wyoming	7,828	883	214,915	75,010	2,531	57,492
U.S. Armed Service members overseas and Territories other than Puerto Rico	3,701	0	13,849	0	2	2,352
Puerto Rico	27,204	0	545	1,512	65	100,078
International	5,485	1,524	28,857	73,322	3,612	296,343
Undistributed [6]	37,605	236	0	223,534	32,733	163,180

Footnotes at end of table.

**Table 5. Gross Collections, by Type of Tax and State, Fiscal Year 2014—Continued****Footnotes**

- [1] Excludes excise taxes collected by the U.S. Customs and Border Protection and the Alcohol and Tobacco Tax and Trade Bureau.
- [2] Includes taxes on corporation income (Form 1120 series) and unrelated business income from tax-exempt organizations (Form 990–T).
- [3] Collections of withheld individual income tax are not reported by taxpayers separately from Old-Age, Survivors, Disability, and Hospital Insurance (OASDHI) taxes on salaries and wages (under the Federal Insurance Contributions Act or FICA) and taxes on self-employment income (under the Self-Employment Insurance Contributions Act or SECA). Thus, while aggregate figures that show these amounts separately are presented in Table 1, separate amounts are not available by State.
- [4] The amount of gift tax collections decreased from \$5,778,377,000 in Fiscal Year (FY) 2013 to \$2,582,617,000 in FY 2014. The Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 raised the unified estate and gift tax credit to \$5 million until December 31, 2012, after which the gift tax credit was to return to \$1 million. Uncertainty over whether Congress would extend the higher credit led to a surge in gifts during early FY 2013. The \$5 million exemption was made permanent on December 31, 2012, and indexed for inflation, as part of the American Taxpayer Relief Act of 2012 and as a result, the amount of gift tax reported in FY 2014 is more in line with historic trends.
- [5] Excludes refunds credited to taxpayer accounts for tax liability in a subsequent year.
- [6] Includes tax and excess withholding payments not classified by State as of the end of the fiscal year because they had not been applied to taxpayer accounts. Undistributed amounts may be negative when adjustments to taxpayer accounts have not been completed.

**NOTES:**

Detail may not add to totals because of rounding.

Partnership, S corporation, regulated investment company, and real estate investment trust data are not shown in this table since these entities generally do not have a tax liability. Instead, they pass through any profits or losses to the underlying owners who include these profits or losses on their income tax returns.

This table shows gross collections. Gross collections less refunds equals net collections. See Table 1 for refunds and net collections.

Collection and refund data may not be comparable for a given fiscal year because payments made in prior years may be refunded in the current fiscal year. Adjustments to prior-year refunds made in Fiscal Year 2014 may result in negative amounts when such adjustments exceed current-year collections. See Table 8 for refund data.

Classification by State is based on the individual's address (or, in the case of businesses, the location of the principal office or place of business). However, some individuals may use the address of a tax attorney or accountant. Sole proprietors, partners in a partnership, or shareholders in an S corporation may use their business addresses. Such addresses could have been located in a State other than the State in which the individual resided. Similarly, taxes withheld and reported by employers located near a State boundary might include substantial amounts withheld from salaries of employees who reside in a neighboring State. Also, while taxes of corporations may be paid from the principal office, the operations of these corporations may be located in one or more other State(s).

SOURCE: Chief Financial Officer, Financial Management.

**Table 6. Gross Collections, by Type of Tax, Fiscal Years 1960–2014**

[Money amounts are in thousands of dollars]

Fiscal year	Total Internal Revenue collections [1]	Income taxes				Employment taxes [4]	Estate tax	Gift tax	Excise taxes [5]
		Total	Business income taxes [2]	Individual income tax [3]	Estate and trust income tax [3]				
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	
1960	91,774,803	67,125,126	22,179,414	44,945,711	n.a.	11,158,589	1,439,259	187,089	11,864,741
1961	94,401,086	67,917,941	21,764,940	46,153,001	n.a.	12,502,451	1,745,480	170,912	12,064,302
1962	99,440,839	71,945,305	21,295,711	50,649,594	n.a.	12,708,171	1,796,227	238,960	12,752,176
1963	105,925,395	75,323,714	22,336,134	52,987,581	n.a.	15,004,486	1,971,614	215,843	13,409,737
1964	112,260,257	78,891,218	24,300,863	54,590,354	n.a.	17,002,504	2,110,992	305,312	13,950,232
1965	114,434,634	79,792,016	26,131,334	53,660,683	n.a.	17,104,306	2,454,332	291,201	14,792,779
1966	128,879,961	92,131,794	30,834,243	61,297,552	n.a.	20,256,133	2,646,968	446,954	13,398,112
1967	148,374,815	104,288,420	34,917,825	69,370,595	n.a.	26,958,241	2,728,580	285,826	14,113,748
1968	153,636,838	108,148,565	29,896,520	78,252,045	n.a.	28,085,898	2,710,254	371,725	14,320,396
1969	187,919,560	135,778,052	38,337,646	97,440,406	n.a.	33,068,657	3,136,691	393,373	15,542,787
1970	195,722,096	138,688,568	35,036,983	103,651,585	n.a.	37,449,188	3,241,321	438,755	15,904,264
1971	191,647,198	131,072,374	30,319,953	100,752,421	n.a.	39,918,690	3,352,641	431,642	16,871,851
1972	209,855,737	143,804,732	34,925,546	108,879,186	n.a.	43,714,001	5,126,522	363,447	16,847,036
1973	237,787,204	164,157,315	39,045,309	125,112,006	n.a.	52,081,709	4,338,924	636,938	16,572,318
1974	268,952,254	184,648,094	41,744,444	142,903,650	n.a.	62,093,632	4,659,825	440,849	17,109,853
1975	293,822,726	202,146,097	45,746,660	156,399,437	n.a.	70,140,809	4,312,657	375,421	16,847,741
1976	302,519,792	205,751,753	46,782,956	158,968,797	n.a.	74,202,853	4,875,735	431,730	17,257,720
1976 [6]	75,462,780	49,567,484	9,808,905	39,758,579	n.a.	19,892,041	1,367,935	117,312	4,518,008
1977	358,139,417	246,805,067	60,049,804	186,755,263	n.a.	86,076,316	5,649,460	1,775,866	17,832,707
1978	399,776,389	278,438,289	65,380,145	213,058,144	n.a.	97,291,653	5,242,080	139,419	18,664,949
1979	460,412,185	322,993,733	71,447,876	251,545,857	n.a.	112,849,874	5,344,176	174,899	19,049,504
1980	519,375,273	359,927,392	72,379,610	287,547,782	n.a.	128,330,480	6,282,247	216,134	24,619,021
1981	606,799,103	406,583,302	73,733,156	332,850,146	n.a.	152,885,816	6,694,641	215,745	40,419,598
1982	632,240,506	418,599,768	65,990,832	352,608,936	n.a.	168,717,936	8,035,335	108,038	36,779,428
1983	627,246,793	411,407,523	61,779,556	349,627,967	n.a.	173,847,854	6,077,202	148,675	35,765,538
1984	680,475,229	437,071,049	74,179,370	362,891,679	n.a.	199,210,028	6,024,985	151,682	38,017,486
1985	742,871,541	474,072,327	77,412,769	396,659,558	n.a.	225,214,568	6,303,418	276,284	37,004,944
1986	782,251,812	497,406,391	80,441,620	416,964,771	n.a.	243,978,380	6,814,417	380,538	33,672,086
1987	886,290,590	568,311,471	102,858,985	465,452,486	n.a.	277,000,469	7,164,681	502,989	33,310,980
1988	935,106,594	583,349,120	109,682,554	473,666,566	n.a.	318,038,990	7,348,679	435,766	25,934,040
1989	1,013,322,133	632,746,069	117,014,564	515,731,504	n.a.	345,625,586	8,143,689	829,457	25,977,333
1990	1,056,365,652	650,244,947	110,016,539	540,228,408	n.a.	367,219,321	9,633,736	2,128,202	27,139,445
1991	1,086,851,401	660,475,445	113,598,569	546,876,876	n.a.	384,451,220	10,237,247	1,235,894	30,451,596
1992	1,120,799,558	675,673,952	117,950,796	557,723,156	n.a.	400,080,904	10,411,450	1,067,666	33,565,587
1993	1,176,685,625	717,321,668	131,547,509	585,774,159	n.a.	411,510,516	11,433,495	1,457,470	34,962,476
1994	1,276,466,776	774,023,837	154,204,684	619,819,153	n.a.	443,831,352	13,500,126	2,106,667	43,004,794
1995	1,375,731,835	850,201,510	174,422,173	675,779,337	n.a.	465,405,305	13,326,051	1,818,343	44,980,627
1996	1,486,546,674	934,368,068	189,054,791	745,313,276	n.a.	492,365,178	15,350,591	2,241,226	42,221,611
1997	1,623,272,071	1,029,513,216	204,492,336	825,020,880	n.a.	528,596,833	17,595,484	2,760,917	44,805,621
1998	1,769,408,739	1,141,335,868	213,270,011	928,065,857	n.a.	557,799,193	21,314,933	3,316,029	45,642,716
1999	1,904,151,888	1,218,510,654	216,324,889	1,002,185,765	n.a.	598,669,865	23,627,320	4,758,287	58,585,763
2000	2,096,916,925	1,372,732,596	235,654,894	1,137,077,702	n.a.	639,651,814	25,618,377	4,103,243	54,810,895
2001	2,128,831,182	1,364,941,523	186,731,643	1,178,209,880	n.a.	682,222,895	25,289,663	3,958,253	52,418,848
2002	2,016,627,269	1,249,171,681	211,437,773	1,037,733,908	n.a.	688,077,238	25,532,186	1,709,329	52,136,835
2003	1,952,929,045	1,181,355,176	194,146,298	987,208,878	n.a.	695,975,801	20,887,883	1,939,025	52,771,160
2004	2,018,502,103	1,220,868,119	230,619,359	990,248,760	n.a.	717,247,296	24,130,143	1,449,319	54,807,225
2005	2,268,895,122	1,414,595,831	307,094,837	1,107,500,994	n.a.	771,441,662	23,565,164	2,040,367	57,252,098
2006	2,518,680,230	1,617,183,944	380,924,573	1,236,259,371	n.a.	814,819,218	26,717,493	1,970,032	57,989,543
2007	2,691,537,557	1,761,777,263	395,535,825	1,366,241,437	n.a.	849,732,729	24,557,815	2,420,138	53,049,612
2008	2,745,035,410	1,780,306,008	354,315,825	1,400,405,178	25,585,005	883,197,626	26,543,433	3,280,502	51,707,840
2009	2,345,337,177	1,415,864,347	225,481,588	1,175,421,788	14,960,969	858,163,864	21,583,131	3,094,191	46,631,646
2010	2,345,055,978	1,453,926,748	277,937,220	1,163,687,589	12,301,939	824,188,337	16,930,741	2,820,095	47,190,057
2011	2,414,952,112	1,589,030,349	242,848,122	1,331,160,469	15,021,758	767,504,822	[7] 2,506,991	6,572,384	49,337,563
2012	2,524,320,134	1,669,298,095	281,461,580	1,371,402,290	16,434,225	784,396,853	12,340,655	2,109,594	56,174,937
2013	2,855,059,420	1,876,348,448	311,993,954	1,539,658,421	24,696,073	897,847,151	14,051,771	5,778,377	61,033,674
2014	3,064,301,358	1,996,765,080	353,141,112	1,614,213,171	29,410,796	976,223,247	17,572,338	[8] 2,582,617	71,158,076

Footnotes on next page.

**Table 6. Gross Collections, by Type of Tax, Fiscal Years 1960–2014—Continued****Footnotes**

n.a.—Not available. See footnote 3 below.

- [1] Beginning with Fiscal Year 2009, excludes refunds credited to taxpayer accounts for tax liability in a subsequent year.
- [2] Includes taxes on corporation income (Form 1120 series) and on unrelated business income from tax-exempt organizations (Form 990–T).
- [3] Income tax reported for estates and trusts is included in individual income tax in Fiscal Years 1960–2007. Beginning with Fiscal Year 2008, estate and trust income tax is reported separately.
- [4] Includes taxes for Old-Age, Survivors, Disability, and Hospital Insurance (OASDHI); unemployment insurance under the Federal Unemployment Tax Act (FUTA); and railroad retirement under the Railroad Retirement Tax Act (RRTA).
- [5] Excludes excise taxes collected by the U.S. Customs and Border Protection and the Alcohol and Tobacco Tax and Trade Bureau. The Internal Revenue Service collected taxes on alcohol and tobacco until Fiscal Year 1988, and taxes on firearms until Fiscal Year 1991.
- [6] Represents fiscal-year transitional period, July 1976 through September 1976, resulting from redefinition of the term “fiscal year.” Fiscal Year 1976 covered July 1975 through June 1976 (earlier years were similarly defined). Fiscal Year 1977 covered October 1976 through September 1977 (subsequent years are similarly defined).
- [7] The estate tax was temporarily repealed for deaths in Calendar Year 2010 before being reinstated retroactively with a \$5-million exemption as part of the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010. As a result of this legislation, the estates of 2010 decedents could elect to file either Form 706 (estate and generation-skipping transfer tax return), due September 19, 2011, or Form 8939 (allocation of increase in basis for property acquired from a decedent), due January 17, 2012. The law also provided a \$5-million exemption for the estates of 2011 decedents. These tax law changes significantly reduced estate tax gross collections in Fiscal Year 2011 relative to other fiscal years.
- [8] The amount of gift tax collections decreased from \$5,778,377,000 in Fiscal Year (FY) 2013 to \$2,582,617,000 in FY 2014. The Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 raised the unified estate and gift tax credit to \$5 million until December 31, 2012, after which the gift tax credit was to return to \$1 million. Uncertainty over whether Congress would extend the higher credit led to a surge in gifts during early FY 2013. The \$5 million exemption was made permanent on December 31, 2012, and indexed for inflation, as part of the American Taxpayer Relief Act of 2012 and as a result, the amount of gift tax reported in FY 2014 is more in line with historic trends.

**NOTES:**

Detail may not add to totals because of rounding.

All money amounts are in current dollars.

Partnership, S corporation, regulated investment company, and real estate investment trust data are not shown in this table since these entities generally do not have a tax liability. Instead, they pass any profits or losses to the underlying owners who include these profits or losses on their income tax returns.

This table shows gross collections. Gross collections less refunds equals net collections. See Table 1 for data on refunds and net collections.

SOURCE: Chief Financial Officer, Financial Management.

**Table 7. Number of Refunds Issued, by Type of Refund and State, Fiscal Year 2014**

State or area	Total Internal Revenue refunds [1, 2]	Business income taxes [3]	Individual income tax, estate and trust income tax, and employment taxes			Estate tax	Gift tax	Excise taxes [1]
			Individual income tax	Estate and trust income tax	Employment taxes [4]			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
United States, total [5]	118,694,299	363,481	116,562,491	227,700	1,447,904	4,651	3,027	85,045
Alabama	1,702,744	3,758	1,675,040	2,469	20,275	33	25	1,144
Alaska	287,182	821	280,013	385	5,652	6	3	302
Arizona	2,175,590	4,949	2,141,452	3,782	24,171	53	35	1,148
Arkansas	1,003,190	2,897	984,210	1,146	14,153	19	18	747
California	13,283,040	43,546	13,052,132	24,677	153,153	862	463	8,207
Colorado	1,932,768	6,094	1,895,000	3,704	26,506	71	44	1,349
Connecticut	1,405,931	3,987	1,380,358	4,288	16,182	93	69	954
Delaware	360,809	1,451	352,626	2,566	3,775	12	10	369
District of Columbia	265,764	1,044	260,153	721	3,587	26	14	219
Florida	7,606,995	21,455	7,457,018	13,954	109,629	373	329	4,237
Georgia	3,618,237	8,704	3,566,040	4,027	37,367	95	35	1,969
Hawaii	536,883	2,097	527,344	1,388	5,798	18	8	230
Idaho	546,456	1,916	533,276	579	10,145	13	d	d
Illinois	5,096,556	15,440	5,004,153	14,729	57,440	180	124	4,490
Indiana	2,565,469	6,005	2,530,963	2,651	24,069	39	27	1,715
Iowa	1,149,923	6,382	1,126,151	1,237	14,558	28	12	1,555
Kansas	1,052,716	4,826	1,030,406	2,012	14,440	36	12	984
Kentucky	1,594,872	3,360	1,572,767	1,950	15,854	27	23	891
Louisiana	1,672,605	4,989	1,639,184	1,734	25,545	49	34	1,070
Maine	514,012	2,000	504,840	974	5,629	20	7	542
Maryland	2,313,936	6,210	2,278,116	4,846	23,471	74	58	1,161
Massachusetts	2,636,735	7,324	2,591,848	9,915	25,488	147	95	1,918
Michigan	3,789,560	12,375	3,724,428	6,588	43,698	93	43	2,335
Minnesota	2,067,438	8,831	2,027,967	3,588	24,578	80	47	2,347
Mississippi	1,055,448	2,901	1,036,471	959	14,398	22	0	697
Missouri	2,227,989	7,492	2,187,499	4,566	26,469	57	28	1,878
Montana	372,925	3,004	361,325	502	7,557	14	10	513
Nebraska	708,888	3,392	692,881	1,376	10,262	16	11	950
Nevada	1,068,420	3,201	1,051,127	1,589	11,847	31	36	589
New Hampshire	554,811	1,819	544,432	1,433	6,663	24	17	423
New Jersey	3,482,558	9,794	3,418,079	8,344	43,907	140	81	2,213
New Mexico	738,963	1,867	725,876	956	9,827	23	10	404
New York	7,686,707	23,752	7,543,503	15,658	98,472	526	492	4,304
North Carolina	3,476,410	9,294	3,422,215	4,993	37,079	106	44	2,679
North Dakota	278,156	1,612	270,287	293	5,347	10	6	601
Ohio	4,605,489	12,646	4,542,029	8,888	38,740	106	76	3,004
Oklahoma	1,320,261	4,225	1,293,259	2,381	19,138	32	21	1,205
Oregon	1,374,235	5,434	1,346,523	2,571	18,338	48	34	1,287
Pennsylvania	5,085,356	13,468	5,005,635	12,623	49,583	147	111	3,789
Rhode Island	433,443	1,046	425,732	2,461	3,074	29	11	1,090
South Carolina	1,677,347	3,690	1,651,435	1,769	19,268	28	13	1,144
South Dakota	326,389	1,930	316,982	1,225	5,675	8	5	564
Tennessee	2,444,675	5,219	2,403,935	3,592	30,292	46	39	1,552
Texas	9,802,282	28,710	9,606,694	20,481	138,280	325	211	7,581
Utah	987,266	2,763	968,809	1,124	13,877	21	14	658
Vermont	257,560	1,224	251,272	594	4,179	20	5	266
Virginia	3,112,499	8,971	3,059,715	5,389	36,330	120	58	1,916
Washington	2,640,001	8,012	2,585,208	4,908	39,884	94	92	1,803
West Virginia	674,868	1,712	664,015	642	8,073	18	3	405
Wisconsin	2,253,326	8,669	2,215,957	3,316	23,363	55	32	1,934
Wyoming	232,612	1,364	225,300	604	5,018	9	7	310
U.S. Armed Service members overseas and Territories other than Puerto Rico	156,924	42	154,157	32	2,662	0	0	31
Puerto Rico	140,098	311	126,601	23	13,140	0	0	23
International	336,342	5,456	327,422	498	1,999	126	19	822
Undistributed [6]	2,640	0	2,631	0	0	3	d	d
Child tax credit [7]	16,799,897	N/A	16,799,897	N/A	N/A	N/A	N/A	N/A
Earned income tax credits [7]	24,442,662	N/A	24,442,662	N/A	N/A	N/A	N/A	N/A

Footnotes on next page.

**Table 7. Number of Refunds Issued, by Type of Refund and State, Fiscal Year 2014—Continued****Footnotes**

d—Not shown to avoid disclosure of information about specific taxpayers. However, the data are included in the appropriate totals.

N/A—Not applicable.

[1] Excludes refunds of excise taxes collected by the U.S. Customs and Border Protection and the Alcohol and Tobacco Tax and Trade Bureau.

[2] Includes overpayment refunds, refunds resulting from examination activity, refundable tax credits, and other refunds required by law.

[3] Includes refunds of taxes on corporation income (Form 1120 series) and on unrelated business income from tax-exempt organizations (Form 990-T).

[4] Includes refunds on self-employment income taxes under the Self-Employment Insurance Contributions Act (SECA); railroad retirement taxes under the Railroad Retirement Tax Act (RRTA); unemployment insurance taxes under the Federal Unemployment Tax Act (FUTA); and Old-Age, Survivors, Disability and Hospital Insurance (OASDHI) taxes on salaries and wages under the Federal Insurance Contributions Act (FICA).

[5] Excludes refunds credited to taxpayer accounts for tax liability in a subsequent year.

[6] Includes refunds of tax and excess withholding payments not classified by State as of the end of the fiscal year because they had not been applied to taxpayer accounts.

[7] Reflects refundable portions of credits only. Shown separately for information purposes. Counts are included in the State figures and U.S. totals.

**NOTE:**

Classification by State is based on the individual's address (or, in the case of businesses, the location of the principal office or place of business). However, some individuals may use the address of a tax attorney or accountant. Sole proprietors, partners in a partnership, or shareholders in an S corporation may use their business addresses. Such addresses could have been located in a State other than the State in which the individual resided. Similarly, taxes withheld and reported by employers located near a State boundary might include substantial amounts withheld from salaries of employees who reside in a neighboring State. Also, while taxes of corporations may be paid from the principal office, the operations of these corporations may be located in one or more States.

SOURCE: Chief Financial Officer, Financial Management.

**Table 8. Amount of Refunds Issued, Including Interest, by Type of Refund and State, Fiscal Year 2014**

[Money amounts are in thousands of dollars]

State or area	Total Internal Revenue refunds [1, 2]	Business income taxes [3]	Individual income tax, estate and trust income tax, and employment taxes			Estate tax	Gift tax	Excise taxes [1]
			Individual income tax [4]	Estate and trust income tax	Employment taxes [5]			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
United States, total [6]	373,545,926	35,313,521	330,561,145	1,580,563	3,824,556	730,291	149,455	1,386,395
Alabama	4,951,091	186,726	4,724,766	12,787	20,625	2,306	1,091	2,790
Alaska	820,566	45,817	762,026	4,305	5,450	876	19	2,072
Arizona	6,117,312	378,771	5,652,704	17,497	29,697	6,427	623	31,593
Arkansas	2,922,525	242,638	2,648,474	6,745	17,042	4,204	1,197	2,225
California	42,112,601	4,520,744	36,675,433	153,445	451,817	136,171	17,235	157,756
Colorado	5,750,477	845,191	4,812,689	21,710	42,879	5,544	1,627	20,838
Connecticut	5,354,519	919,537	4,314,033	32,648	66,932	13,406	2,388	5,576
Delaware	3,251,375	2,265,613	903,684	53,476	22,362	5,310	30	900
District of Columbia	849,615	73,096	756,962	4,511	13,069	647	250	1,079
Florida	22,313,006	750,891	21,204,143	96,815	173,485	49,622	14,218	23,832
Georgia	10,684,039	649,439	9,868,301	23,581	93,669	7,097	428	41,524
Hawaii	1,452,114	87,680	1,349,655	4,775	5,962	1,348	10	2,685
Idaho	1,369,447	60,746	1,287,214	2,069	14,392	2,483	d	d
Illinois	17,151,666	2,647,968	14,184,482	118,318	120,718	22,184	8,052	49,944
Indiana	6,876,981	277,248	6,509,854	28,458	27,899	3,952	4,445	25,126
Iowa	3,066,502	237,162	2,796,185	4,525	18,778	4,317	15	5,519
Kansas	2,976,769	289,642	2,628,567	14,601	19,052	5,218	524	19,165
Kentucky	4,307,783	170,035	4,091,732	8,994	21,008	830	188	14,996
Louisiana	5,067,969	184,568	4,818,487	24,103	22,164	7,912	3,956	6,778
Maine	1,323,953	160,713	1,149,887	3,084	3,469	1,637	14	5,149
Maryland	6,858,448	491,109	6,260,116	34,105	56,089	7,859	2,714	6,456
Massachusetts	8,018,069	907,568	6,953,479	48,894	69,203	21,815	3,771	13,339
Michigan	9,936,380	528,950	9,242,438	45,180	93,544	13,545	1,275	11,449
Minnesota	7,009,210	2,037,770	4,810,182	18,524	39,653	48,522	3,198	51,359
Mississippi	3,137,665	64,580	3,050,351	5,762	12,847	1,250	0	2,875
Missouri	6,111,154	443,565	5,572,044	25,998	42,536	11,890	148	14,973
Montana	866,466	23,855	830,495	1,788	6,070	2,740	12	1,507
Nebraska	1,871,763	108,318	1,733,840	8,952	9,481	1,541	1,769	7,863
Nevada	3,045,267	115,366	2,878,499	10,271	18,465	9,915	5,504	7,248
New Hampshire	1,444,791	50,862	1,358,494	7,573	6,204	14,605	3,719	3,333
New Jersey	12,430,351	2,100,883	10,116,765	46,598	104,860	12,265	2,920	46,060
New Mexico	1,940,170	26,624	1,889,991	4,512	9,801	4,131	2,704	2,408
New York	26,226,700	3,216,598	22,357,499	137,173	330,364	89,234	32,547	63,286
North Carolina	9,424,292	522,845	8,781,827	20,954	76,177	12,846	1,372	8,272
North Dakota	738,591	47,301	679,340	1,744	7,206	593	68	2,339
Ohio	12,064,238	582,159	11,198,465	52,261	91,303	13,657	1,427	124,966
Oklahoma	4,249,198	460,117	3,553,877	25,506	22,275	3,129	306	183,988
Oregon	3,317,872	123,725	3,139,457	13,193	25,277	6,076	2,386	7,758
Pennsylvania	15,116,043	2,085,626	12,824,424	57,013	86,375	24,080	1,875	36,652
Rhode Island	1,128,851	18,224	1,082,405	9,335	12,585	4,182	133	1,987
South Carolina	4,391,486	173,677	4,181,137	8,251	19,463	3,953	455	4,550
South Dakota	838,698	24,317	781,149	28,086	3,506	111	1	1,528
Tennessee	7,076,525	531,706	6,461,409	21,146	38,395	3,440	1,646	18,784
Texas	33,727,956	3,816,828	29,138,140	197,863	374,729	66,633	7,464	126,299
Utah	2,957,729	216,322	2,692,102	13,948	20,165	1,165	511	13,516
Vermont	610,494	30,232	566,260	2,139	9,839	1,454	42	528
Virginia	8,972,589	610,428	8,238,539	37,721	61,408	11,861	2,254	10,378
Washington	7,302,638	499,621	6,692,115	24,901	54,795	12,729	6,660	11,816
West Virginia	1,744,747	40,088	1,691,829	3,675	6,574	1,640	137	804
Wisconsin	5,629,268	383,199	5,163,132	26,899	35,327	4,020	481	16,211
Wyoming	626,003	11,520	604,827	1,900	3,594	295	2,617	1,249
U.S. Armed Service members overseas and Territories other than Puerto Rico	470,773	7,352	457,607	78	5,674	0	0	62
Puerto Rico	254,821	7,461	241,185	112	6,038	0	0	24
International	2,652,876	493,528	1,199,963	2,061	905,370	24,726	368	26,860
Advance Premium Tax Credit/ Cost Sharing Reduction [7]	13,067,704	N/A	13,067,704	N/A	N/A	N/A	N/A	N/A
Undistributed [8]	-434,214	-483,027	-69,218	0	-31,106	12,896	d	d
Child tax credit [9]	21,489,589	N/A	21,489,589	N/A	N/A	N/A	N/A	N/A
Earned income tax credits [9]	60,086,661	N/A	60,086,661	N/A	N/A	N/A	N/A	N/A

Footnotes on next page.

**Table 8. Amount of Refunds Issued, Including Interest, by Type of Refund and State, Fiscal Year 2014—Continued****Footnotes**

d—Not shown to avoid disclosure of information about specific taxpayers. However, the data are included in the appropriate totals.

N/A—Not applicable.

- [1] Excludes refunds of excise taxes collected by the U.S. Customs and Border Protection and the Alcohol and Tobacco Tax and Trade Bureau.
- [2] Includes overpayment refunds, refunds resulting from examination activity, refundable tax credits, and other refunds required by law. Also includes \$1.0 billion in interest, of which \$0.4 billion was paid to corporations and \$0.6 billion was paid to all others (related to individual, employment, estate, gift and excise tax returns).
- [3] Includes refunds of taxes on corporation income (Form 1120 series) and on unrelated business income from tax-exempt organizations (Form 990–T).
- [4] The average individual income tax refund (based on Forms 1040, 1040–A, and 1040–EZ) was \$2,719.
- [5] Includes refunds of self-employment income taxes under the Self-Employment Insurance Contributions Act (SECA); railroad retirement taxes under the Railroad Retirement Tax Act (RRTA); unemployment insurance taxes under the Federal Unemployment Tax Act (FUTA); and Old-Age, Survivors, Disability, and Hospital Insurance (OASDHI) taxes on salaries and wages under the Federal Insurance Contributions Act (FICA).
- [6] Excludes refunds credited to taxpayer accounts for tax liability in a subsequent year.
- [7] The Premium Tax Credit and Cost Sharing Reduction are provisions of the Patient Protection and Affordable Care Act of 2010. The Advance payment of the Premium Tax Credit (APTC) data shown in this table is an advance payment of a refundable tax credit that helps taxpayers pay for their health insurance premiums on a monthly basis. The Cost Sharing Reduction is a discount that lowers the amount taxpayers are required to pay for healthcare out-of-pocket deductibles, co-insurance, and co-payments. Both the Premium Tax Credit and the Cost Sharing Reduction are available when taxpayers purchase health insurance through the health insurance Marketplace and meet other specific criteria. As data become available, future editions of the *IRS Data Book* will report more detailed information on the “exchange” provisions of the Affordable Care Act (ACA) administered through the tax system. For information on non-exchange provisions of ACA, see Table 32.
- [8] Includes refunds of tax and excess withholding payments not classified by State as of the end of the fiscal year because they had not been applied to taxpayer accounts. Undistributed amounts may be negative when adjustments to taxpayer accounts have not been completed.
- [9] Reflects refundable portions of credits only. Shown separately for information purposes. Refund amounts are included in the State figures and U.S. totals.

**NOTES:**

Detail may not add to totals because of rounding.

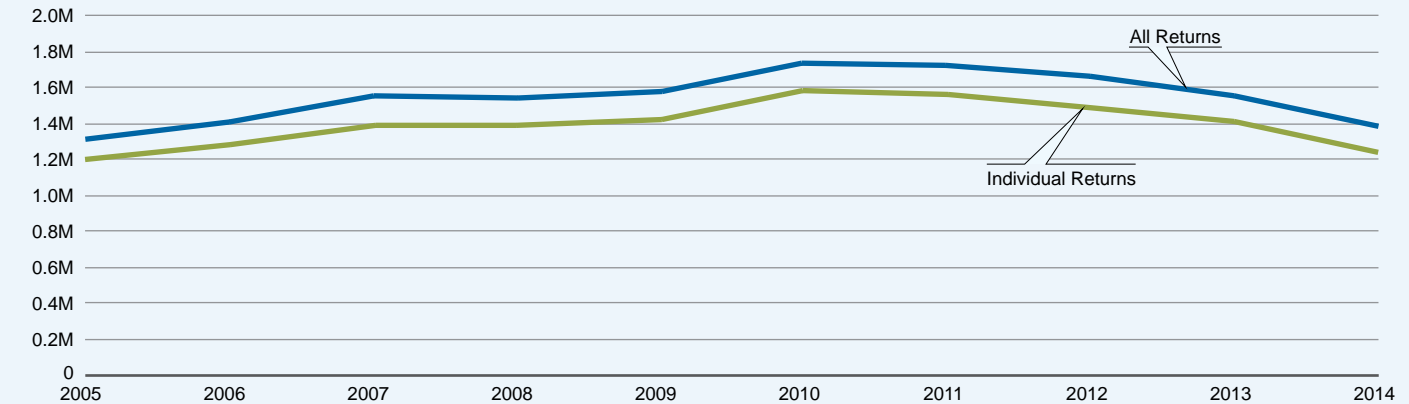
Collection and refund data may not be comparable for a given fiscal year because payments made in prior years may be refunded in the current fiscal year.

Adjustments to prior-year returns made in Fiscal Year 2014 may result in negative amounts when such adjustments exceed current-year refunds. See Table 5 for collections data.

Classification by State is based on the individual's address (or in the case of businesses, the location of the principal office or place of business). However, some individuals may use the address of a tax attorney or accountant. Sole proprietors, partners in a partnership, or shareholders in an S corporation may use their business addresses. Such addresses could have been located in a State other than the State in which the individual resided. Similarly, taxes withheld and reported by employers located near a State boundary might include substantial amounts withheld from salaries of employees who reside in a neighboring State. Also, while taxes of corporations may be paid from the principal office, the operations of these corporations may be located in one or more States.

SOURCE: Chief Financial Officer, Financial Management.

## Number of Returns Examined, Fiscal Years 2005–2014



SOURCE: IRS Data Book Table 9a

## Enforcement:

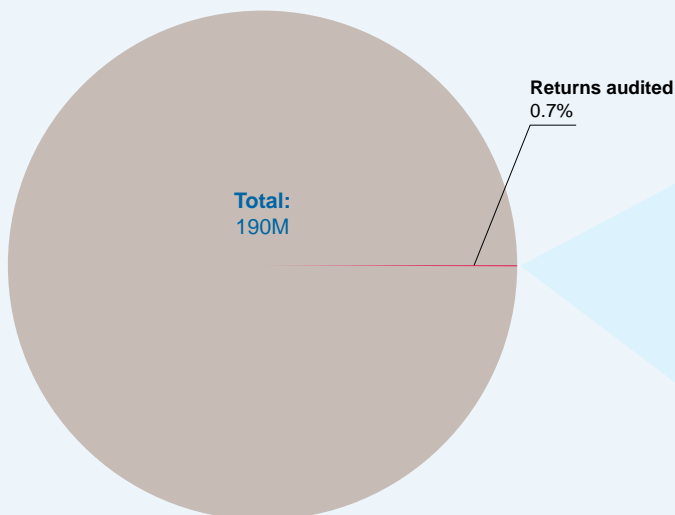
### Examinations

Section 2 of the *Data Book* deals with IRS examinations (audits) of returns to determine if income, expense, and credits are being reported accurately. The IRS enforces the tax law in a number of ways; the more common methods include correspondence (examination by mail) and field (face-to-face audit) examinations. This section provides information about examinations of most types of tax returns such as income tax, estate and gift tax, employment tax, excise tax, and certain other return types. Information is also provided about examinations of tax-exempt organizations.

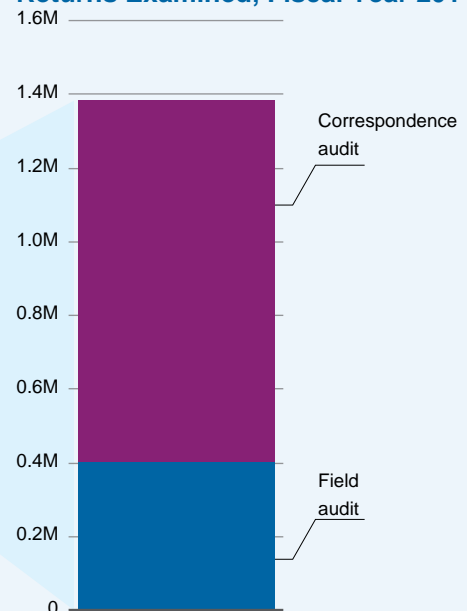
## Highlights of the Data

- The IRS audited a total of almost 1.4 million tax returns, approximately 0.7 percent of all returns filed in Calendar Year (CY) 2013 (Table 9a).
- The IRS audited 0.9 percent of all individual income tax returns filed in CY 2013, and 1.3 percent of corporation income tax returns (excluding S corporation returns) (Table 9a).

## Total Returns Filed, Calendar Year 2013

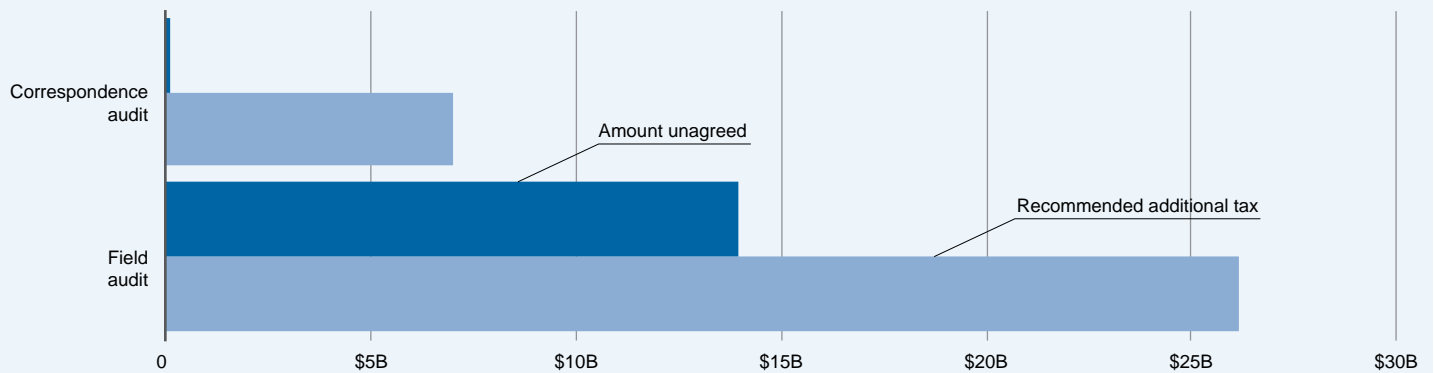


## Returns Examined, Fiscal Year 2014



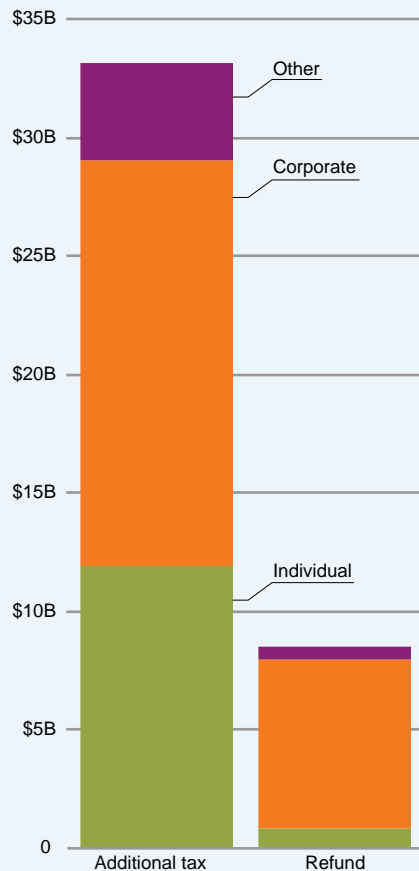
SOURCE: 2014 IRS Data Book Table 9a

## Amount of Recommended Additional Tax and Amount Unagreed, Fiscal Year 2014



SOURCE: 2014 IRS Data Book Tables 9a and 10

## Recommended Audit Results, by Type of Filer, Fiscal Year 2014



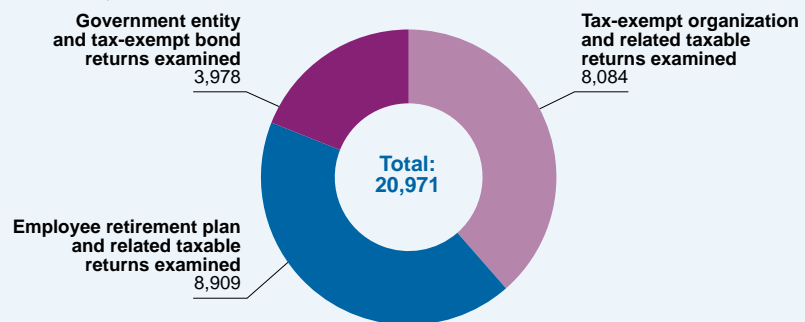
SOURCE: 2014 IRS Data Book Tables 9a and 12

- IRS conducted the majority of FY 2014 audits, 71 percent, via correspondence. The remaining 29 percent were conducted in the field (Table 9a).
- Of the almost 1.4 million examinations of tax returns, approximately 33,000 taxpayers did not agree with the IRS examiner's determination, totaling to an unagreed recommended additional tax of about \$14.1 billion (Table 10).
- In FY 2014, examinations protected a total of almost \$4.5 billion in refund

payments, of which \$4.4 billion came from field examinations and \$93.3 million from correspondence examinations (Table 11).

- Of the 1.2 million examinations of individual income tax returns, over 38,000 resulted in additional refunds to the taxpayer of \$829.5 million (Table 12).
- The IRS processed 765,395 returns of tax-exempt entities in CY 2013 and examined 8,084 tax-exempt entity and related returns in FY 2014 (Table 13).

## Returns of Tax-Exempt Organizations, Employee Retirement Plans, Government Entities, and Tax-Exempt Bonds Examined, by Type of Return, Fiscal Year 2014



SOURCE: 2014 IRS Data Book Table 13

**Table 9a. Examination Coverage: Recommended and Average Recommended Additional Tax After Examination, by Type and Size of Return, Fiscal Year 2014**

Type and size of return	All returns filed in Calendar Year 2013 [1,2]	Returns examined in Fiscal Year 2014 [1]			
		Total	Percentage covered	Field [3]	Correspondence
	(1)	(2)	(3)	(4)	(5)
<b>United States, total</b>	<b>189,656,600</b>	<b>1,384,365</b>	<b>0.7</b>	<b>401,340</b>	<b>983,025</b>
<b>Taxable returns:</b>					
▶ Individual income tax returns, total	145,236,429	[5] 1,242,479	0.9	291,643	950,836
▷ Returns with total positive income under \$200,000 [7]:					
▶ Nonbusiness returns without Earned Income Tax Credit:					
Without Schedules C, E, F, or Form 2106 [8]	79,144,126	271,574	0.3	37,501	234,073
With Schedule E or Form 2106 [9]	16,040,455	116,084	0.7	42,200	73,884
▶ Business returns without Earned Income Tax Credit:					
Nonfarm business returns by size of total gross receipts [10]:					
Under \$25,000	10,473,171	105,312	1.0	44,534	60,778
\$25,000 under \$100,000	3,091,195	57,832	1.9	28,111	29,721
\$100,000 under \$200,000	865,666	20,999	2.4	15,796	5,203
\$200,000 or more	666,991	13,961	2.1	12,789	1,172
Farm returns	1,287,565	6,072	0.5	3,332	2,740
▶ Business and nonbusiness returns with Earned Income Tax Credit by size of total gross receipts [10, 11]:					
Under \$25,000	25,852,009	[12] 460,939	1.8	31,221	429,718
\$25,000 or more	1,732,899	[12] 20,050	1.2	12,338	7,712
▷ Returns with total positive income of at least \$200,000 and under \$1,000,000 [7]:					
Nonbusiness returns	3,782,273	81,730	2.2	22,381	59,349
Business returns	1,626,380	43,179	2.7	19,475	23,704
▷ Returns with total positive income of \$1,000,000 or more [7]	458,337	34,361	7.5	15,029	19,332
▷ International returns [13]	215,362	10,386	4.8	6,936	3,450
▶ Corporation income tax returns, except Form 1120-S, total [14]	1,924,887	25,905	1.3	23,835	2,070
▷ Returns other than Forms 1120-C and 1120-F [15]:					
▶ Small corporations [16]	1,812,140	17,257	1.0	15,757	1,500
No balance sheet returns	399,666	2,908	0.7	2,547	361
Balance sheet returns by size of total assets:					
Under \$250,000	914,087	8,058	0.9	7,327	731
\$250,000 under \$1,000,000	307,292	3,768	1.2	3,564	204
\$1,000,000 under \$5,000,000	161,490	1,957	1.2	1,820	137
\$5,000,000 under \$10,000,000	29,605	566	1.9	499	67
▶ Large corporations [17]	64,261	7,858	12.2	7,468	390
Balance sheet returns by size of total assets:					
\$10,000,000 under \$50,000,000	33,434	2,065	6.2	1,975	90
\$50,000,000 under \$100,000,000	7,888	882	11.2	848	34
\$100,000,000 under \$250,000,000	8,274	1,084	13.1	1,026	58
\$250,000,000 under \$500,000,000	4,844	799	16.5	753	46
\$500,000,000 under \$1,000,000,000	3,634	713	19.6	672	41
\$1,000,000,000 under \$5,000,000,000	4,390	1,322	30.1	1,242	80
\$5,000,000,000 under \$20,000,000,000	1,303	577	44.3	549	28
\$20,000,000,000 or more	494	416	84.2	403	13
▷ Form 1120-C returns [15]	8,973	135	1.5	d	d
▷ Form 1120-F returns [15]	39,513	655	1.7	d	d
▶ Estate and trust income tax returns [18]	3,178,797	3,694	0.1	481	3,213
▶ Estate tax returns, total [19]	33,719	2,853	8.5	2,853	0
▷ Size of gross estate:					
Under \$5,000,000	23,772	558	2.3	558	0
\$5,000,000 under \$10,000,000	6,588	1,389	21.1	1,389	0
\$10,000,000 or more	3,359	906	27.0	906	0
▶ Gift tax returns	371,747	3,098	0.8	3,098	0
▶ Employment tax returns	29,826,675	57,123	0.2	42,108	15,015
▶ Excise tax returns	916,196	13,779	1.5	11,562	2,217
▶ Other taxable returns [20]	[4]	777	[4]	160	617
<b>Nontaxable returns [21]:</b>					
▶ Partnership returns	3,649,385	15,779	0.4	10,564	5,215
▶ S corporation returns [22]	4,518,765	16,317	0.4	14,831	1,486
▶ Other nontaxable returns [23]	[4]	2,561	[4]	205	2,356
<b>Income, estate, gift tax, and nontaxable returns, total</b>	<b>158,913,729</b>	<b>1,312,686</b>	<b>0.8</b>	<b>347,510</b>	<b>965,176</b>

Footnotes at end of table.

**Table 9a. Examination Coverage: Recommended and Average Recommended Additional Tax After Examination, by Type and Size of Return, Fiscal Year 2014—Continued**

Type and size of return	Percentage of returns examined with no change		Recommended additional tax (thousands of dollars)	
	Field [3]	Correspondence	Total	Field [3]
	(6)	(7)	(8)	(9)
<b>United States, total</b>	<b>[4]</b>	<b>[4]</b>	<b>33,149,351</b>	<b>26,181,089</b>
<b>Taxable returns:</b>				
► Individual income tax returns, total	9	14	[6] 11,885,411	5,026,236
▷ Returns with total positive income under \$200,000 [7]:				
► Nonbusiness returns without Earned Income Tax Credit:				
Without Schedules C, E, F, or Form 2106 [8]	8	11	1,304,492	358,949
With Schedule E or Form 2106 [9]	8	14	711,930	451,895
► Business returns without Earned Income Tax Credit:				
Nonfarm business returns by size of total gross receipts [10]:				
Under \$25,000	5	10	530,282	326,875
\$25,000 under \$100,000	8	3	568,130	246,128
\$100,000 under \$200,000	6	9	430,354	315,080
\$200,000 or more	9	50	359,895	356,007
Farm returns	14	12	133,791	113,604
► Business and nonbusiness returns with Earned Income Tax Credit by size of total gross receipts [10, 11]:				
Under \$25,000	6	10	1,914,971	154,508
\$25,000 or more	8	20	232,056	202,022
▷ Returns with total positive income of at least \$200,000 and under \$1,000,000 [7]:				
Nonbusiness returns	16	45	1,189,093	475,816
Business returns	12	32	1,016,628	517,575
▷ Returns with total positive income of \$1,000,000 or more [7]	21	37	3,389,240	1,411,048
▷ International returns [13]	1	7	104,549	96,729
► Corporation income tax returns, except Form 1120–S, total [14]	29	45	17,179,065	17,113,564
▷ Returns other than Forms 1120–C and 1120–F [15]:				
► Small corporations [16]	29	49	587,848	569,037
No balance sheet returns	16	18	156,374	149,604
Balance sheet returns by size of total assets:				
Under \$250,000	29	66	142,090	135,842
\$250,000 under \$1,000,000	33	58	178,954	175,769
\$1,000,000 under \$5,000,000	35	34	79,607	77,412
\$5,000,000 under \$10,000,000	37	45	30,823	30,410
► Large corporations [17]	29	34	16,297,035	16,256,274
Balance sheet returns by size of total assets:				
\$10,000,000 under \$50,000,000	38	31	907,989	906,299
\$50,000,000 under \$100,000,000	40	32	184,168	183,452
\$100,000,000 under \$250,000,000	37	34	138,215	137,741
\$250,000,000 under \$500,000,000	30	39	509,845	508,967
\$500,000,000 under \$1,000,000,000	23	27	643,108	642,492
\$1,000,000,000 under \$5,000,000,000	17	38	1,312,292	1,310,924
\$5,000,000,000 under \$20,000,000,000	13	43	3,905,981	3,890,632
\$20,000,000,000 or more	10	15	8,695,437	8,675,767
▷ Form 1120–C returns [15]	2	100	7,092	d
▷ Form 1120–F returns [15]	59	30	287,090	d
► Estate and trust income tax returns [18]	16	42	68,671	46,716
► Estate tax returns, total [19]	23	N/A	774,489	774,489
▷ Size of gross estate:				
Under \$5,000,000	26	N/A	97,650	97,650
\$5,000,000 under \$10,000,000	22	N/A	188,701	188,701
\$10,000,000 or more	23	N/A	488,138	488,138
► Gift tax returns	39	N/A	1,332,885	1,332,885
► Employment tax returns	16	20	1,262,705	1,263,814
► Excise tax returns	23	44	611,934	610,083
► Other taxable returns [20]	7	19	14,191	13,302
<b>Nontaxable returns [21]:</b>				
► Partnership returns	49	35	N/A	N/A
► S corporation returns [22]	35	49	N/A	N/A
► Other nontaxable returns [23]	62	28	N/A	N/A
<b>Income, estate, gift tax, and nontaxable returns, total</b>	<b>13</b>	<b>14</b>	<b>31,240,521</b>	<b>24,293,890</b>

Footnotes at end of table.

**Table 9a. Examination Coverage: Recommended and Average Recommended Additional Tax After Examination, by Type and Size of Return, Fiscal Year 2014—Continued**

Type and size of return	Recommended additional tax (thousands of dollars)—continued	Average recommended additional tax per return (dollars)	
	Correspondence	Field [3]	Correspondence
	(10)	(11)	(12)
<b>United States, total</b>	<b>6,968,262</b>	<b>[4]</b>	<b>[4]</b>
<b>Taxable returns:</b>			
▶ Individual income tax returns, total	6,859,175	17,234	7,214
▷ Returns with total positive income under \$200,000 [7]:			
▶ Nonbusiness returns without Earned Income Tax Credit:			
Without Schedules C, E, F, or Form 2106 [8]	945,543	9,572	4,040
With Schedule E or Form 2106 [9]	260,035	10,708	3,520
▶ Business returns without Earned Income Tax Credit:			
Nonfarm business returns by size of total gross receipts [10]:			
Under \$25,000	203,407	7,340	3,347
\$25,000 under \$100,000	322,002	8,756	10,834
\$100,000 under \$200,000	115,274	19,947	22,155
\$200,000 or more	3,888	27,837	3,317
Farm returns	20,187	34,095	7,368
▶ Business and nonbusiness returns with Earned Income Tax Credit by size of total gross receipts [10, 11]:			
Under \$25,000	1,760,463	4,949	4,097
\$25,000 or more	30,034	16,374	3,894
▷ Returns with total positive income of at least \$200,000 and under \$1,000,000 [7]:			
Nonbusiness returns	713,277	21,260	12,018
Business returns	499,053	26,576	21,054
▷ Returns with total positive income of \$1,000,000 or more [7]	1,978,192	93,888	102,327
▷ International returns [13]	7,820	13,946	2,267
▶ Corporation income tax returns, except Form 1120–S, total [14]	65,501	718,001	31,643
▷ Returns other than Forms 1120–C and 1120–F [15]:			
▶ Small corporations [16]	18,811	36,113	12,541
No balance sheet returns	6,770	58,737	18,753
Balance sheet returns by size of total assets:			
Under \$250,000	6,248	18,540	8,547
\$250,000 under \$1,000,000	3,185	49,318	15,613
\$1,000,000 under \$5,000,000	2,195	42,534	16,022
\$5,000,000 under \$10,000,000	413	60,942	6,164
▶ Large corporations [17]	40,761	2,176,791	104,515
Balance sheet returns by size of total assets:			
\$10,000,000 under \$50,000,000	1,690	458,886	18,778
\$50,000,000 under \$100,000,000	716	216,335	21,059
\$100,000,000 under \$250,000,000	474	134,250	8,172
\$250,000,000 under \$500,000,000	878	675,919	19,087
\$500,000,000 under \$1,000,000,000	616	956,089	15,024
\$1,000,000,000 under \$5,000,000,000	1,368	1,055,494	17,100
\$5,000,000,000 under \$20,000,000,000	15,349	7,086,761	548,179
\$20,000,000,000 or more	19,670	21,527,958	1,513,077
▷ Form 1120–C returns [15]	d	d	d
▷ Form 1120–F returns [15]	d	d	d
▶ Estate and trust income tax returns [18]	21,955	97,123	6,833
▶ Estate tax returns, total [19]	N/A	271,465	N/A
▷ Size of gross estate:			
Under \$5,000,000	N/A	175,000	N/A
\$5,000,000 under \$10,000,000	N/A	135,854	N/A
\$10,000,000 or more	N/A	538,784	N/A
▶ Gift tax returns	N/A	430,240	N/A
▶ Employment tax returns	18,891	30,014	1,258
▶ Excise tax returns	1,851	52,766	835
▶ Other taxable returns [20]	889	83,138	1,441
<b>Nontaxable returns [21]:</b>			
▶ Partnership returns	N/A	N/A	N/A
▶ S corporation returns [22]	N/A	N/A	N/A
▶ Other nontaxable returns [23]	N/A	N/A	N/A
<b>Income, estate, gift tax, and nontaxable returns, total</b>	<b>6,946,631</b>	<b>[4]</b>	<b>[4]</b>

Footnotes at end of table.

**Table 9a. Examination Coverage: Recommended and Average Recommended Additional Tax After Examination, by Type and Size of Return, Fiscal Year 2014—Continued****Footnotes**

d—Not shown to avoid disclosure of information about specific taxpayers. However, the data are included in the appropriate totals when possible.

N/A—Not applicable.

- [1] Excludes excise tax returns filed with the U.S. Customs and Border Protection and the Alcohol and Tobacco Tax and Trade Bureau. Also excludes returns of tax-exempt organizations, Government entities, employee retirement benefit plans, and tax-exempt bonds; and excludes information returns (e.g., Forms 1098, 1099, 5498, W-2, and W-2G, and Schedule K-1).
- [2] Calendar Year 2013 data are presented because, in general, examination activity is associated with returns filed in the previous calendar year.
- [3] Field examinations are generally performed in person by revenue agents, tax compliance officers, tax examiners, and revenue officer examiners. However, some field examinations may ultimately be conducted through correspondence in order to better serve the taxpayer.
- [4] Not tabulated.
- [5] Includes a total of 435,638 returns selected for examination on the basis of an Earned Income Tax Credit (EITC) claim.
- [6] Includes a total of \$1,751,318,420 in recommended additional tax (including an Earned Income Tax Credit) on returns selected for examination on the basis of an EITC claim.
- [7] In general, total positive income is the sum of all positive amounts shown for the various sources of income reported on the individual income tax return and thus, excludes losses. Examinations of individual income tax returns are shown in this table by total positive income of: under \$200,000; at least \$200,000 and under \$1,000,000; and \$1,000,000 or more.
- [8] Includes Forms 1040 without a Schedule C (nonfarm sole proprietorship), Schedule E (supplemental income and loss), Schedule F (profit or loss from farming), or Form 2106 (employee business expenses).
- [9] Includes Forms 1040 with a Schedule E (supplemental income and loss) or Form 2106 (employee business expenses) but without a Schedule C (nonfarm sole proprietorship) or Schedule F (profit or loss from farming).
- [10] Total gross receipts is the sum of gross receipts from farm and nonfarm businesses. It is calculated by adding the positive values of gross receipts and other income from Schedule C and gross income (which can be positive or negative) from Schedule F. Schedule C is used to report profit or loss from nonfarm sole proprietorships. Schedule F is used to report profit or loss from farming. If a taxpayer reports both farm and nonfarm income, the return is classified by the larger source of income.
- [11] Includes all Forms 1040, those with and without business income, reporting an Earned Income Tax Credit claim. These returns are classified by size of total gross receipts. Business returns have total gross receipts reported on Schedule C (nonfarm sole proprietorship) or Schedule F (profit or loss from farming). Nonbusiness returns, those with no Schedules C or F, are reported in the "Under \$25,000" classification.
- [12] Includes returns with an Earned Income Tax Credit (EITC) claim. These returns were selected on the basis of an EITC claim or on other selected criteria.
- [13] Includes Forms 1040-PR (self-employment income tax return for Puerto Rico residents) and 1040-SS (self-employment income tax return for U.S. Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands residents).
- [14] Includes the Form 1120 series as follows: 1120 (corporation income tax return); 1120-C (income tax return for cooperative associations); 1120-F (foreign corporation income tax return, except foreign life insurance company, foreign property and casualty insurance company, or foreign sales corporation); 1120-H (homeowner association income tax return); 1120-L (life insurance company income tax return); 1120-ND (return for nuclear decommissioning funds); 1120-PC (property and casualty insurance company income tax return); 1120-REIT (real estate investment trust income tax return); 1120-RIC (regulated investment company income tax return); and 1120-SF (income tax return for settlement funds). Excludes certain other types of corporation returns, which are included in "other taxable returns" described in footnote 20.
- [15] Forms 1120-C are filed by cooperative associations. Forms 1120-F are filed by foreign corporations with U.S. income, other than foreign life insurance companies (Form 1120-L); foreign property and casualty insurance companies (Form 1120-PC); or foreign sales corporations (Form 1120-FSC).
- [16] Includes returns with assets of less than \$10 million.
- [17] Includes returns with assets of \$10 million or more.
- [18] Includes Form 1041 (income tax return for estates and trusts) and Form 1041-N (income tax return for electing Alaska Native Settlement Trusts).
- [19] Includes Form 706 (estate and generation-skipping transfer tax return).
- [20] Includes Forms 1120-FSC (foreign sales corporation income tax return); 1120-S for S corporations reporting a tax (see footnote 22); 8288 (withholding tax return for disposition by foreign persons of U.S. property interests); and 8804 (return of withholding tax on foreign partner's share of effectively-connected income).
- [21] Nontaxable returns are filed for entities that generally do not have a tax liability, but pass through any profits and losses to the underlying owners who include these profits or losses on their income tax returns. The examination of partnership, S corporation, and other nontaxable returns affects the amount of recommended additional tax for these associated income tax returns.
- [22] Includes most Forms 1120-S, which are filed by qualifying S corporations electing to be taxed through shareholders. Under certain conditions, S corporations are subject to tax and are included in "other taxable returns" in this table. See footnote 20.
- [23] Includes the following nontaxable returns: Form 1120-IC-DISC (domestic international sales corporation return); Form 1041 (income tax return for estates and trusts); and Form 1066 (real estate mortgage investment conduit income tax return). Under certain circumstances, estates and trusts (Form 1041) are not subject to tax and are reported as nontaxable. See Estate and Trust income tax returns for taxable Forms 1041.

**NOTES:**

Detail may not add to totals because of rounding.

This table includes information on examinations of all individual income tax, corporation income tax, estate and trust income tax, estate tax, gift tax, employment tax, excise tax, and other taxable returns, as well as partnership, S corporation, and other nontaxable returns.

SOURCE: Small Business/Self-Employed, Examination, Performance Planning and Analysis Examination, Field Exam Workload Planning and Analysis.

**Table 9b. Examination Coverage: Individual Income Tax Returns Examined, by Size of Adjusted Gross Income, Fiscal Year 2014**

Size of adjusted gross income [1]	Returns filed in Calendar Year 2013 (percent of total) [2]	Examination coverage in Fiscal Year 2014 (percent) [3]
<b>All returns [4]</b>	<b>100.00</b>	<b>0.86</b>
No adjusted gross income [5]	1.83	5.26
\$1 under \$25,000	39.08	0.93
\$25,000 under \$50,000	23.32	0.54
\$50,000 under \$75,000	13.12	0.53
\$75,000 under \$100,000	8.33	0.52
\$100,000 under \$200,000	10.70	0.65
\$200,000 under \$500,000	2.87	1.75
\$500,000 under \$1,000,000	0.48	3.62
\$1,000,000 under \$5,000,000	0.24	6.21
\$5,000,000 under \$10,000,000	0.02	10.53
\$10,000,000 or more	0.01	16.22

[1] Adjusted gross income is total income (including losses), as defined by the Internal Revenue Code, less statutory adjustments—primarily business, investment, and certain other deductions.

[2] Calendar Year 2013 data are presented because, in general, examination activity is associated with returns filed in the previous calendar year.

[3] Represents the number of returns examined in Fiscal Year 2014 for each adjusted gross income (AGI) class, as a percentage of the total number of returns filed in Calendar Year 2013 for that AGI class.

[4] In addition to examinations of returns filed, the IRS examined more than 152,000 cases in which no return was filed. These nonfiler cases were referred for examination by the Collections Program and the Automated Substitute for Return (ASFR) Program. Under the ASFR, the IRS uses information returns from third parties (such as Forms W-2 and 1099) to identify tax return delinquencies, constructs tax returns for certain nonfilers based on that third-party information, and assesses tax, interest, and penalties based on the substitute returns. These nonfiler cases are excluded from the examination data in this table. See Table 14 for information on the ASFR Program.

[5] Includes returns with adjusted gross income (AGI) of less than zero. AGI may be less than zero when a taxpayer reports losses or statutory adjustments that exceed total income.

**NOTE:**

This table shows examination coverage of individual income tax returns classified by size of adjusted gross income, while Tables 9a and 10–12 report examination coverage by size of total positive income. Total positive income is the sum of all positive amounts shown for the various sources of income reported on the individual income tax return and therefore excludes losses. By comparison, adjusted gross income includes losses, such as farm losses.

SOURCE: Research, Analysis, and Statistics, Office of Research.

**Table 10. Examination Coverage: Returns Examined with Unagreed Recommended Additional Tax After Examination, by Type and Size of Return, Fiscal Year 2014**

[Money amounts are in thousands of dollars]

Type and size of return	Taxable returns examined with unagreed recommended additional tax [1]			Amount unagreed		
	Total	Field [2]	Correspondence	Total	Field [2]	Correspondence
	(1)	(2)	(3)	(4)	(5)	(6)
<b>United States, total</b>	<b>32,924</b>	<b>25,736</b>	<b>7,188</b>	<b>14,087,005</b>	<b>13,967,960</b>	<b>119,045</b>
► Individual income tax returns, total	27,249	20,082	7,167	1,903,591	1,785,792	117,799
▷ Returns with total positive income under \$200,000 [3]:						
► Nonbusiness returns without Earned Income Tax Credit:						
Without Schedules C, E, F, or Form 2106 [4]	3,227	1,530	1,697	65,834	55,686	10,148
With Schedule E or Form 2106 [5]	4,281	2,781	1,500	123,485	118,467	5,018
► Business returns without Earned Income Tax Credit:						
Nonfarm business returns by size of total gross receipts [6]:						
Under \$25,000	4,195	3,332	863	66,076	62,076	4,000
\$25,000 under \$100,000	2,376	2,209	167	50,064	48,435	1,629
\$100,000 under \$200,000	1,350	1,317	33	92,732	92,080	652
\$200,000 or more	1,298	1,285	13	125,515	125,231	284
Farm returns	270	250	20	6,999	6,916	83
► Business and nonbusiness returns with Earned Income Tax Credit by size of total gross receipts [6, 7]:						
Under \$25,000	2,394	962	1,432	18,179	12,662	5,517
\$25,000 or more	1,233	1,158	75	52,806	52,217	589
▷ Returns with total positive income of at least \$200,000 and under \$1,000,000 [3]:						
Nonbusiness returns	2,502	1,712	790	198,376	180,282	18,094
Business returns	2,472	2,124	348	197,609	191,637	5,972
▷ Returns with total positive income of \$1,000,000 or more [3]	1,633	1,407	226	824,707	758,894	65,813
▷ International returns [8]	18	15	3	81,209	81,209	[9]
► Corporation income tax returns, except Form 1120-S, total [10]	2,024	d	d	10,329,809	d	d
▷ Returns other than Forms 1120-C and 1120-F [11]:						
► Small corporations [12]	1,409	d	d	246,497	d	d
No balance sheet returns	232	d	d	35,681	d	d
Balance sheet returns by size of total assets:						
Under \$250,000	600	593	7	37,437	37,089	348
\$250,000 under \$1,000,000	349	d	d	110,604	d	d
\$1,000,000 under \$5,000,000	173	173	0	41,839	41,839	0
\$5,000,000 under \$10,000,000	55	55	0	20,936	20,936	0
► Large corporations [13]	595	d	d	9,842,022	d	d
Balance sheet returns by size of total assets:						
\$10,000,000 under \$50,000,000	103	103	0	708,026	708,026	0
\$50,000,000 under \$100,000,000	50	50	0	34,877	34,877	0
\$100,000,000 under \$250,000,000	70	d	d	74,713	d	d
\$250,000,000 under \$500,000,000	53	53	0	301,428	301,428	0
\$500,000,000 under \$1,000,000,000	43	43	0	284,756	284,756	0
\$1,000,000,000 under \$5,000,000,000	99	99	0	773,892	773,892	0
\$5,000,000,000 under \$20,000,000,000	79	79	0	2,591,227	2,591,227	0
\$20,000,000,000 or more	98	98	0	5,073,103	5,073,103	0
▷ Form 1120-C returns [11]	7	7	0	2,017	2,017	0
▷ Form 1120-F returns [11]	13	13	0	239,273	239,273	0
► Estate and trust income tax returns [14]	36	26	10	8,303	7,774	529
► Estate tax returns, total [15]	100	100	0	308,209	308,209	0
▷ Size of gross estate:						
Under \$5,000,000	25	25	0	20,472	20,472	0
\$5,000,000 under \$10,000,000	45	45	0	115,118	115,118	0
\$10,000,000 or more	30	30	0	172,619	172,619	0
► Gift tax returns	284	284	0	518,453	518,453	0
► Employment tax returns	2,775	2,775	0	515,488	515,488	0
► Excise tax returns	445	445	0	496,066	496,066	0
► Other taxable returns [16]	11	d	d	7,086	d	d

Footnotes on next page.

**Table 10. Examination Coverage: Returns Examined with Unagreed Recommended Additional Tax After Examination, by Type and Size of Return, Fiscal Year 2014—Continued****Footnotes**

d—Not shown to avoid disclosure of information about specific taxpayers. However, the data are included in the appropriate totals when possible.

- [1] Excludes excise tax returns filed with the U.S. Customs and Border Protection and the Alcohol and Tobacco Tax and Trade Bureau. Also excludes returns of tax-exempt organizations, Government entities, employee retirement benefit plans, and tax-exempt bonds; and excludes information returns (e.g., Forms 1098, 1099, 5498, W-2, and W-2G, and Schedule K-1).
- [2] Field examinations are generally performed in person by revenue agents, tax compliance officers, tax examiners, and revenue officer examiners. However, some field examinations may ultimately be conducted through correspondence in order to better serve the taxpayer.
- [3] In general, total positive income is the sum of all positive amounts shown for the various sources of income reported on the individual income tax return and thus, excludes losses. Examinations of individual income tax returns are shown in this table by total positive income of: under \$200,000; at least \$200,000 and under \$1,000,000; and \$1,000,000 or more.
- [4] Includes Forms 1040 without a Schedule C (nonfarm sole proprietorship), Schedule E (supplemental income and loss), Schedule F (profit or loss from farming), or Form 2106 (employee business expenses).
- [5] Includes Forms 1040 with a Schedule E (supplemental income and loss) or Form 2106 (employee business expenses) but without a Schedule C (nonfarm sole proprietorship) or Schedule F (profit or loss from farming).
- [6] Total gross receipts is the sum of gross receipts from farm and nonfarm businesses. It is calculated by adding the positive values of gross receipts and other income from Schedule C and gross income (which can be positive or negative) from Schedule F. Schedule C is used to report profit or loss from nonfarm sole proprietorships. Schedule F is used to report profit or loss from farming. If a taxpayer reports both farm and nonfarm income, the return is classified by the larger source of income.
- [7] Includes all Forms 1040, those with and without business income, reporting an Earned Income Tax Credit claim. These returns are classified by size of total gross receipts. Business returns have total gross receipts reported on Schedule C (nonfarm sole proprietorship) or Schedule F (profit or loss from farming). Nonbusiness returns, those with no Schedules C or F, are reported in the "Under \$25,000" classification.
- [8] Includes Forms 1040-PR (self-employment income tax return for Puerto Rico residents) and 1040-SS (self-employment income tax return for U.S. Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands residents).
- [9] Less than \$500.
- [10] Includes the Form 1120 series as follows: 1120 (corporation income tax return); 1120-C (income tax return for cooperative associations); 1120-F (foreign corporation income tax return, except foreign life insurance company, foreign property and casualty insurance company, or foreign sales corporation); 1120-H (homeowner association income tax return); 1120-L (life insurance company income tax return); 1120-ND (return for nuclear decommissioning funds); 1120-PC (property and casualty insurance company income tax return); 1120-REIT (real estate investment trust income tax return); 1120-RIC (regulated investment company income tax return); and 1120-SF (income tax return for settlement funds). Excludes certain other types of corporation returns, which are included in "other taxable returns" described in footnote 16.
- [11] Forms 1120-C are filed by cooperative associations. Forms 1120-F are filed by foreign corporations with U.S. income, other than foreign life insurance companies (Form 1120-L); foreign property and casualty insurance companies (Form 1120-PC); or foreign sales corporations (Form 1120-FSC).
- [12] Includes returns with assets of less than \$10 million.
- [13] Includes returns with assets of \$10 million or more.
- [14] Includes Form 1041 (income tax return for estates and trusts) and Form 1041-N (income tax return for electing Alaska Native Settlement Trusts).
- [15] Includes Form 706 (estate and generation-skipping transfer tax return).
- [16] Includes Forms 1120-FSC (foreign sales corporation income tax return); 1120-S for S corporations reporting a tax; 8288 (withholding tax return for disposition by foreign persons of U.S. property interests); and 8804 (return of withholding tax on foreign partner's share of effectively-connected income).

**NOTES:**

Detail may not add to totals because of rounding.

This table includes information on examinations in which the taxpayer did not agree with the IRS examiner's determination. For information on all examinations of individual income tax, corporation income tax, estate and trust income tax, estate tax, gift tax, employment tax, excise tax, and other taxable returns, along with partnership, S corporation and other nontaxable returns, see Table 9a.

SOURCE: Small Business/Self-Employed, Examination, Performance Planning and Analysis Examination, Field Exam Workload Planning and Analysis.

**Table 11. Examination Coverage: Returns Examined Involving Protection of Revenue Base, by Type and Size of Return, Fiscal Year 2014**

[Money amounts are in thousands of dollars]

Type and size of return	Taxable returns examined involving protection of the revenue base [1]			Amount protected		
	Total	Field [2]	Correspondence	Total	Field [2]	Correspondence
	(1)	(2)	(3)	(4)	(5)	(6)
<b>United States, total</b>	<b>39,274</b>	<b>12,053</b>	<b>27,221</b>	<b>4,458,693</b>	<b>4,365,413</b>	<b>93,280</b>
► Individual income tax returns, total	35,735	8,516	27,219	603,156	509,876	93,280
▷ Returns with total positive income under \$200,000 [3]:						
► Nonbusiness returns without Earned Income Tax Credit:						
Without Schedules C, E, F, or Form 2106 [4]	15,308	1,278	14,030	55,303	7,304	47,999
With Schedule E or Form 2106 [5]	2,720	1,154	1,566	13,024	7,308	5,716
► Business returns without Earned Income Tax Credit:						
Nonfarm business returns by size of total gross receipts [6]:						
Under \$25,000	2,991	609	2,382	10,858	2,854	8,004
\$25,000 under \$100,000	1,488	699	789	6,266	3,736	2,530
\$100,000 under \$200,000	633	473	160	4,781	4,082	699
\$200,000 or more	614	490	124	4,796	4,065	731
Farm returns	153	79	74	543	274	269
► Business and nonbusiness returns with Earned Income Tax Credit by size of total gross receipts [6, 7]:						
Under \$25,000	7,334	345	6,989	23,448	1,818	21,630
\$25,000 or more	578	139	439	2,836	1,326	1,510
▷ Returns with total positive income of at least \$200,000 and under \$1,000,000 [3]:						
Nonbusiness returns	1,344	1,150	194	27,932	26,214	1,718
Business returns	1,163	1,071	92	23,761	22,696	1,065
▷ Returns with total positive income of \$1,000,000 or more [3]	1,069	d	d	428,996	d	d
▷ International returns [8]	340	d	d	612	d	d
► Corporation income tax returns, except Form 1120–S, total [9]	1,329	d	d	3,270,016	d	d
▷ Returns other than Forms 1120–C and 1120–F [10]:						
► Small corporations [11]	323	d	d	11,290	d	d
No balance sheet returns	18	18	0	2,410	2,410	0
Balance sheet returns by size of total assets:						
Under \$250,000	40	40	0	2,167	2,167	0
\$250,000 under \$1,000,000	59	59	0	583	583	0
\$1,000,000 under \$5,000,000	142	142	0	4,022	4,022	0
\$5,000,000 under \$10,000,000	64	64	0	2,108	2,108	0
► Large corporations [12]	895	d	d	3,171,851	d	d
Balance sheet returns by size of total assets:						
\$10,000,000 under \$50,000,000	119	d	d	9,416	d	d
\$50,000,000 under \$100,000,000	53	53	0	4,413	4,413	0
\$100,000,000 under \$250,000,000	79	79	0	13,170	13,170	0
\$250,000,000 under \$500,000,000	73	73	0	21,100	21,100	0
\$500,000,000 under \$1,000,000,000	96	96	0	159,510	159,510	0
\$1,000,000,000 under \$5,000,000,000	231	231	0	203,623	203,623	0
\$5,000,000,000 under \$20,000,000,000	133	133	0	691,527	691,527	0
\$20,000,000,000 or more	111	d	d	2,069,092	d	d
▷ Form 1120–C returns [10]	92	92	0	31,582	31,582	0
▷ Form 1120–F returns [10]	19	19	0	55,293	55,293	0
► Estate and trust income tax returns [13]	119	119	0	109,932	109,932	0
► Estate tax returns, total [14]	134	134	0	113,938	113,938	0
▷ Size of gross estate:						
Under \$5,000,000	44	44	0	82,970	82,970	0
\$5,000,000 under \$10,000,000	45	45	0	4,083	4,083	0
\$10,000,000 or more	45	45	0	26,885	26,885	0
► Gift tax returns	13	13	0	1,475	1,475	0
► Employment tax returns	555	555	0	271,549	271,549	0
► Excise tax returns	1,363	1,363	0	65,748	65,748	0
► Other taxable returns [15]	26	d	d	22,879	d	d

Footnotes on next page.

**Table 11. Examination Coverage: Returns Examined Involving Protection of Revenue Base, by Type and Size of Return, Fiscal Year 2014—Continued****Footnotes**

d—Not shown to avoid disclosure of information about specific taxpayers. However, the data are included in the appropriate totals when possible.

- [1] Excludes excise tax returns filed with the U.S. Customs and Border Protection and the Alcohol and Tobacco Tax and Trade Bureau. Also excludes returns of tax-exempt organizations, Government entities, employee retirement benefit plans, and tax-exempt bonds; and excludes information returns (e.g., Forms 1098, 1099, 5498, W-2, and W-2G, and Schedule K-1).
- [2] Field examinations are generally performed in person by revenue agents, tax compliance officers, tax examiners, and revenue officer examiners. However, some field examinations may ultimately be conducted through correspondence in order to better serve the taxpayer.
- [3] In general, total positive income is the sum of all positive amounts shown for the various sources of income reported on the individual income tax return and thus, excludes losses. Examinations of individual income tax returns are shown in this table by total positive income of: under \$200,000; at least \$200,000 and under \$1,000,000; and \$1,000,000 or more.
- [4] Includes Forms 1040 without a Schedule C (nonfarm sole proprietorship), Schedule E (supplemental income and loss), Schedule F (profit or loss from farming), or Form 2106 (employee business expenses).
- [5] Includes Forms 1040 with a Schedule E (supplemental income and loss) or Form 2106 (employee business expenses) but without a Schedule C (nonfarm sole proprietorship) or Schedule F (profit or loss from farming).
- [6] Total gross receipts is the sum of gross receipts from farm and nonfarm businesses. It is calculated by adding the positive values of gross receipts and other income from Schedule C and gross income (which can be positive or negative) from Schedule F. Schedule C is used to report profit or loss from nonfarm sole proprietorships. Schedule F is used to report profit or loss from farming. If a taxpayer reports both farm and nonfarm income, the return is classified by the larger source of income.
- [7] Includes all Forms 1040, those with and without business income, reporting an Earned Income Tax Credit claim. These returns are classified by size of total gross receipts. Business returns have total gross receipts reported on Schedule C (nonfarm sole proprietorship) or Schedule F (profit or loss from farming). Nonbusiness returns, those with no Schedules C or F, are reported in the "Under \$25,000" classification.
- [8] Includes Forms 1040-PR (self-employment income tax return for Puerto Rico residents) and 1040-SS (self-employment income tax return for U.S. Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands residents).
- [9] Includes the Form 1120 series as follows: 1120 (corporation income tax return); 1120-C (income tax return for cooperative associations); 1120-F (foreign corporation income tax return, except foreign life insurance company, foreign property and casualty insurance company, or foreign sales corporation); 1120-H (homeowner association income tax return); 1120-L (life insurance company income tax return); 1120-ND (return for nuclear decommissioning funds); 1120-PC (property and casualty insurance company income tax return); 1120-REIT (real estate investment trust income tax return); 1120-RIC (regulated investment company income tax return); and 1120-SF (income tax return for settlement funds). Excludes certain other types of corporation returns, which are included in "other taxable returns" described in footnote 15.
- [10] Forms 1120-C are filed by cooperative associations. Forms 1120-F are filed by foreign corporations with U.S. income, other than foreign life insurance companies (Form 1120-L); foreign property and casualty insurance companies (Form 1120-PC); or foreign sales corporations (Form 1120-FSC).
- [11] Includes returns with assets of less than \$10 million.
- [12] Includes returns with assets of \$10 million or more.
- [13] Includes Form 1041 (income tax return for estates and trusts) and Form 1041-N (income tax return for electing Alaska Native Settlement Trusts).
- [14] Includes Form 706 (estate and generation-skipping transfer tax return).
- [15] Includes Forms 1120-FSC (foreign sales corporation income tax return); 1120-S for S corporations reporting a tax; 8288 (withholding tax return for disposition by foreign persons of U.S. property interests); and 8804 (return of withholding tax on foreign partner's share of effectively-connected income).

**NOTES:**

Detail may not add to totals because of rounding.

This table includes information on examinations in which actions were taken by the IRS to prevent the release of funds from the U.S. Treasury in response to taxpayer efforts to recoup all, or part, of previously assessed and paid tax. For information on all examinations of individual income tax, corporation income tax, estate and trust income tax, estate tax, gift tax, employment tax, excise tax, and other taxable returns, along with partnership, S corporation and other nontaxable returns, see Table 9a.

SOURCE: Small Business/Self-Employed, Examination, Performance Planning and Analysis Examination, Field Exam Workload Planning and Analysis.

**Table 12. Examination Coverage: Returns Examined Resulting in Refunds, by Type and Size of Return, Fiscal Year 2014**

[Money amounts are in thousands of dollars]

Type and size of return	Taxable returns examined resulting in refunds [1]			Recommended refunds		
	Total	Field [2]	Correspondence	Total	Field [2]	Correspondence
	(1)	(2)	(3)	(4)	(5)	(6)
<b>United States, total</b>	<b>43,790</b>	<b>25,571</b>	<b>18,219</b>	<b>8,509,681</b>	<b>8,335,704</b>	<b>173,977</b>
► Individual income tax returns, total	38,029	20,052	17,977	829,507	681,833	147,674
▷ Returns with total positive income under \$200,000 [3]:						
► Nonbusiness returns without Earned Income Tax Credit:						
Without Schedules C, E, F, or Form 2106 [4]	9,260	2,681	6,579	42,385	17,535	24,850
With Schedule E or Form 2106 [5]	3,955	2,752	1,203	41,616	35,440	6,176
► Business returns without Earned Income Tax Credit:						
Nonfarm business returns by size of total gross receipts [6]:						
Under \$25,000	3,541	1,807	1,734	15,174	8,170	7,004
\$25,000 under \$100,000	2,335	1,649	686	12,503	9,866	2,637
\$100,000 under \$200,000	1,299	1,151	148	9,807	9,082	725
\$200,000 or more	1,131	1,067	64	24,879	24,358	521
Farm returns	396	333	63	1,940	1,564	376
► Business and nonbusiness returns with Earned Income Tax Credit by size of total gross receipts [6, 7]:						
Under \$25,000	5,122	1,084	4,038	23,987	4,390	19,597
\$25,000 or more	947	712	235	13,960	11,798	2,162
▷ Returns with total positive income of at least \$200,000 and under \$1,000,000 [3]:						
Nonbusiness returns	4,210	2,547	1,663	60,804	48,165	12,639
Business returns	2,624	2,068	556	46,074	41,291	4,783
▷ Returns with total positive income of \$1,000,000 or more [3]	3,182	2,187	995	536,302	470,126	66,176
▷ International returns [8]	27	14	13	76	48	28
► Corporation income tax returns, except Form 1120–S, total [9]	2,557	2,520	37	7,149,123	7,132,200	16,923
▷ Returns other than Forms 1120–C and 1120–F [10]:						
► Small corporations [11]	888	873	15	40,838	40,457	381
No balance sheet returns	118	d	d	16,876	d	d
Balance sheet returns by size of total assets:						
Under \$250,000	291	d	d	3,138	d	d
\$250,000 under \$1,000,000	207	207	0	3,149	3,149	0
\$1,000,000 under \$5,000,000	180	175	5	9,479	9,472	7
\$5,000,000 under \$10,000,000	92	86	6	8,196	7,835	361
► Large corporations [12]	1,529	1,510	19	7,049,120	7,032,636	16,484
Balance sheet returns by size of total assets:						
\$10,000,000 under \$50,000,000	257	252	5	62,615	60,087	2,528
\$50,000,000 under \$100,000,000	121	d	d	73,058	d	d
\$100,000,000 under \$250,000,000	172	169	3	155,502	145,254	10,248
\$250,000,000 under \$500,000,000	158	d	d	144,002	d	d
\$500,000,000 under \$1,000,000,000	152	152	0	240,580	240,580	0
\$1,000,000,000 under \$5,000,000,000	365	358	7	912,459	909,472	2,987
\$5,000,000,000 under \$20,000,000,000	194	d	d	1,820,573	d	d
\$20,000,000,000 or more	110	110	0	3,640,331	3,640,331	0
▷ Form 1120–C returns [10]	86	86	0	18,574	18,574	0
▷ Form 1120–F returns [10]	54	51	3	40,591	40,533	58
► Estate and trust income tax returns [13]	232	89	143	49,685	40,424	9,261
► Estate tax returns, total [14]	457	457	0	115,755	115,755	0
▷ Size of gross estate:						
Under \$5,000,000	58	58	0	9,945	9,945	0
\$5,000,000 under \$10,000,000	242	242	0	32,671	32,671	0
\$10,000,000 or more	157	157	0	73,139	73,139	0
► Gift tax returns	43	43	0	32,042	32,042	0
► Employment tax returns	622	622	0	82,488	82,488	0
► Excise tax returns	1,785	1,758	27	194,665	194,656	9
► Other taxable returns [15]	65	30	35	56,416	56,306	110

Footnotes on next page.

**Table 12. Examination Coverage: Returns Examined Resulting in Refunds, by Type and Size of Return, Fiscal Year 2014—Continued****Footnotes**

d—Not shown to avoid disclosure of information about specific taxpayers. However, the data are included in the appropriate totals, when possible.

- [1] Excludes excise tax returns filed with the U.S. Customs and Border Protection and the Alcohol and Tobacco Tax and Trade Bureau. Also excludes returns of tax-exempt organizations, Government entities, employee retirement benefit plans, and tax-exempt bonds; and excludes information returns (e.g., Forms 1098, 1099, 5498, W-2, and W-2G, and Schedule K-1).
- [2] Field examinations are generally performed in person by revenue agents, tax compliance officers, tax examiners, and revenue officer examiners. However, some field examinations may ultimately be conducted through correspondence in order to better serve the taxpayer.
- [3] In general, total positive income is the sum of all positive amounts shown for the various sources of income reported on the individual income tax return and thus, excludes losses. Examinations of individual income tax returns are shown in this table by total positive income of: under \$200,000; at least \$200,000 and under \$1,000,000; and \$1,000,000 or more.
- [4] Includes Forms 1040 without a Schedule C (nonfarm sole proprietorship), Schedule E (supplemental income and loss), Schedule F (profit or loss from farming), or Form 2106 (employee business expenses).
- [5] Includes Forms 1040 with a Schedule E (supplemental income and loss) or Form 2106 (employee business expenses) but without a Schedule C (nonfarm sole proprietorship) or Schedule F (profit or loss from farming).
- [6] Total gross receipts is the sum of gross receipts from farm and nonfarm businesses. It is calculated by adding the positive values of gross receipts and other income from Schedule C and gross income (which can be positive or negative) from Schedule F. Schedule C is used to report profit or loss from nonfarm sole proprietorships. Schedule F is used to report profit or loss from farming. If a taxpayer reports both farm and nonfarm income, the return is classified by the larger source of income.
- [7] Includes all Forms 1040, those with and without business income, reporting an Earned Income Tax Credit claim. These returns are classified by size of total gross receipts. Business returns have total gross receipts reported on Schedule C (nonfarm sole proprietorship) or Schedule F (profit or loss from farming). Nonbusiness returns, those with no Schedules C or F, are reported in the "Under \$25,000" classification.
- [8] Includes Forms 1040-PR (self-employment income tax return for Puerto Rico residents) and 1040-SS (self-employment income tax return for U.S. Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands residents).
- [9] Includes the Form 1120 series as follows: 1120 (corporation income tax return); 1120-C (income tax return for cooperative associations); 1120-F (foreign corporation income tax return, except foreign life insurance company, foreign property and casualty insurance company, or foreign sales corporation); 1120-H (homeowner association income tax return); 1120-L (life insurance company income tax return); 1120-ND (return for nuclear decommissioning funds); 1120-PC (property and casualty insurance company income tax return); 1120-REIT (real estate investment trust income tax return); 1120-RIC (regulated investment company income tax return); and 1120-SF (income tax return for settlement funds). Excludes certain other types of corporation returns, which are included in "other taxable returns" described in footnote 15.
- [10] Forms 1120-C are filed by cooperative associations. Forms 1120-F are filed by foreign corporations with U.S. income, other than foreign life insurance companies (Form 1120-L); foreign property and casualty insurance companies (Form 1120-PC); or foreign sales corporations (Form 1120-FSC).
- [11] Includes returns with assets of less than \$10 million.
- [12] Includes returns with assets of \$10 million or more.
- [13] Includes Form 1041 (income tax return for estates and trusts) and Form 1041-N (income tax return for electing Alaska Native Settlement Trusts).
- [14] Includes Form 706 (estate and generation-skipping transfer tax return).
- [15] Includes Forms 1120-FSC (foreign sales corporation income tax return); 1120-S for S corporations reporting a tax; 8288 (withholding tax return for disposition by foreign persons of U.S. property interests); and 8804 (return of withholding tax on foreign partner's share of effectively-connected income).

**NOTES:**

Detail may not add to totals because of rounding.

This table provides information on examinations that resulted in additional refunds paid to the taxpayer and the amount of refunds recommended. For information on all examinations of individual income tax, corporation income tax, estate and trust income tax, estate tax, gift tax, employment tax, excise tax, and other taxable returns, along with partnership, S corporation, and other nontaxable returns, see Table 9a.

SOURCE: Small Business/Self-Employed, Examination, Performance Planning and Analysis Examination, Field Exam Workload Planning and Analysis.

**Table 13. Returns of Tax-Exempt Organizations, Employee Retirement Plans, Government Entities, and Tax-Exempt Bonds Examined, by Type of Return, Fiscal Year 2014**

Type of return	Number of returns
<b>Tax-exempt organization, employee retirement plan, government entity, tax-exempt bond returns, and related returns examined in Fiscal Year 2014, total</b>	<b>20,971</b>
<b>Tax-exempt organizations:</b>	
<b>Tax-exempt organization returns processed in Calendar Year 2013 [1]</b>	<b>765,395</b>
<b>Tax-exempt organization and related taxable returns examined in Fiscal Year 2014, total</b>	<b>8,084</b>
<b>Tax-exempt organization returns, total</b>	<b>2,825</b>
Forms 990 and 990-EZ	2,579
Forms 990-PF, 1041-A, 1120-POL, and 5227	246
<b>Related taxable returns, total</b>	<b>5,259</b>
Form 1120 [2]	4
Employment tax returns [3]	3,507
Form 990-T [4]	848
Form 4720 [5]	412
Forms 1040, 1041, 1065, and 1120 adjusted [6]	230
Forms 11-C and 730 [7]	258
<b>Employee retirement plans:</b>	
<b>Employee retirement plan returns processed in Calendar Year 2013 [8]</b>	<b>876,881</b>
<b>Employee retirement plan and related taxable returns examined in Fiscal Year 2014, total [9]</b>	<b>8,909</b>
<b>Employee retirement plan returns, total</b>	<b>7,135</b>
Form 5500	3,828
Defined benefit	541
Defined contribution	3,287
Form 5500-EZ	366
Defined benefit	93
Defined contribution	273
Form 5500-SF	2,941
Defined benefit	270
Defined contribution	2,671
<b>Related taxable returns, total</b>	<b>720</b>
Form 5330 [10]	508
Forms 1040, 1041, 1065, and 1120 adjusted [6]	188
Form 990-T [4]	24
<b>Government entity and tax-exempt bonds:</b>	
<b>Government entity and tax-exempt bond returns examined in Fiscal Year 2014, total</b>	<b>3,978</b>
<b>Tax-exempt bond returns [11]</b>	<b>768</b>
<b>Related taxable returns, total [12]:</b>	<b>3,210</b>
Employment tax returns [3]	2,070
Forms 1040, 1041, 1065, and 1120 adjusted [6]	572
Form 990-T [4]	544
Forms 11-C and 730 [7]	24

[1] Includes primary information and taxable returns filed by tax-exempt organizations including Forms 990 (tax-exempt organization information return, long form); 990-EZ (tax-exempt organization information return, short form); 990-PF (private foundation information return); 1041-A (information return of charitable contribution deductions by certain trusts); 1120-POL (income tax return for certain political organizations); and 5227 (split-interest trust information return). Excludes related taxable returns and 470,895 Forms 990-N (electronic notice (e-Postcard) for tax-exempt organizations not required to file Forms 990 or 990-EZ).

[2] Includes Form 1120 (corporation income tax return) of revoked private foundations.

[3] Includes Forms 940 (employer's Federal unemployment tax return); 941 (employer's quarterly tax return for income and Social Security taxes withheld for other than household and agricultural employees); 943 (employer's tax return for agricultural employees); 944 (employer's annual tax return); 945 (tax return of withheld income tax from nonpayroll distributions); and 1042 (tax return of withheld income tax on U.S.-source income of foreign persons).

[4] Form 990-T is the tax-exempt organization unrelated business income tax return.

[5] Form 4720 is used to report excise taxes on tax-exempt organizations and related individuals.

[6] Form 1040 series (individual returns); Form 1041 (estate and trust return); Form 1065 (partnership return); or Form 1120 series (corporation returns) adjusted as a result of examination of a tax-exempt organization, employee retirement plan, or government entity, as applicable.

[7] Form 11-C reports the occupational tax for wagering and Form 730 reports the excise tax on wagering.

[8] Includes Forms 5500 (employee benefit plan return); 5500-EZ (one-participant retirement plan return); and 5500-SF (short-form return of small employee benefit plan).

[9] Includes 1,054 examinations of plans that were not required to file a return and are, therefore, not categorized by form type.

[10] Form 5330 is used to report excise taxes related to employee retirement plans.

[11] Includes Forms 8038 (information return for tax-exempt private activity bond issues); 8038-B (information return for build America bonds and recovery zone economic development bonds); 8038-CP (return for credit payments to issuers of qualified bonds); 8038-G (information return for governmental obligations); 8038-GC (information return for consolidated small tax-exempt government bond issues, leases, and installment sales); 8038-T (arbitrage rebate return); and 8038-TC (information return for tax credit bonds and specified tax credit bonds).

**Table 13. Returns of Tax-Exempt Organizations, Employee Retirement Plans, Government Entities, and Tax-Exempt Bonds Examined, by Type of Return, Fiscal Year 2014—Continued****Footnotes—Continued**

[12] Includes returns of Federal, State, local, and Indian Tribal governments. Although these entities do not have an income tax return filing requirement, they are subject to excise and employment taxes.

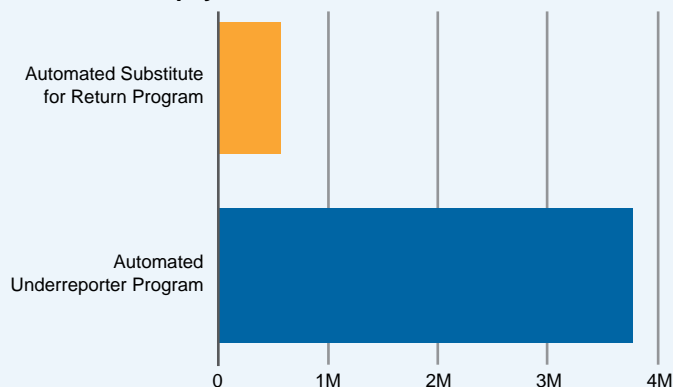
NOTE: In general, examination activity is associated with returns filed in the previous calendar year.

SOURCE: Tax Exempt and Government Entities.



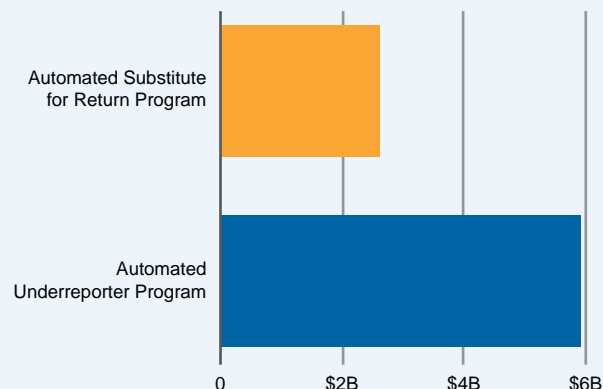
## Information Reporting Program, Fiscal Year 2014

Number of taxpayer contacts



SOURCE: 2014 IRS Data Book Table 14

Amount of additional assessments



## Enforcement:

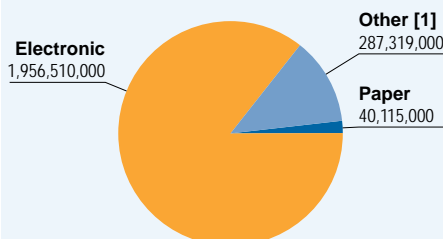
### Information Reporting and Verification

Section 3 of the *IRS Data Book* presents data on information reporting and verification, which, in addition to examinations, are critical tools for identifying and resolving taxpayer errors. In addition to receiving information on self-reported income and tax on returns filed by taxpayers, the IRS gathers independent information about income received and

taxes withheld from information returns, such as Forms W-2 and 1099 filed by employers and other third parties. With its Automated Underreporter Program, the IRS matches these information returns to tax returns and contacts taxpayers to resolve discrepancies. In the Automated Substitute for Return Program, the IRS uses information

returns from third parties to identify nonfilers; construct tax returns for certain nonfilers based on that third-party information; and assess tax, interest, and penalties based on the substitute returns. To further verify the accuracy of reported information, the IRS also checks for mathematical and clerical errors before refunds are paid.

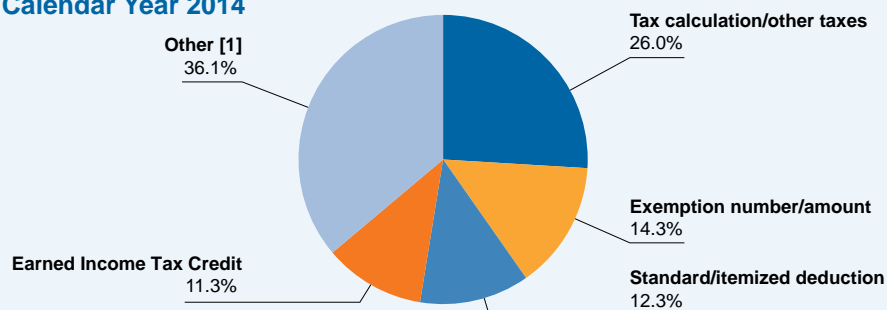
Number of Information Returns Received, by Type, Fiscal Year 2014



[1] Includes Forms SSA-1099 (Social Security benefit statement); RRB-1099 (payments by the Railroad Retirement Board); and W-2 (wage and tax statement) processed by the Social Security Administration.

SOURCE: 2014 IRS Data Book Table 14

Math Errors on Individual Income Tax Returns, by Type of Error, Calendar Year 2014



[1] Includes first-time homebuyer credit repayment, adjusted gross/taxable income amount, child tax and other credits, refund/amount owed, education credits, adjustments to income, filing status, and withholding or excess Social Security payments, and miscellaneous errors.

SOURCE: 2014 IRS Data Book Table 15

### Highlights of the Data

- The IRS closed almost 3.8 million cases under the Automated Underreporter Program resulting in more than \$5.9 billion in additional assessments (Table 14).
- The IRS closed 571,000 cases under its Automated Substitute for Return Program resulting in over \$2.6 billion in additional assessments (Table 14).
- The IRS received almost 2.3 billion third-party information returns, over 85.7 percent of which were filed electronically (Table 14).
- For Tax Year (TY) 2013 individual income tax returns processed during

Calendar Year 2014, IRS sent more than 1.7 million notices to taxpayers for almost 2.3 million math errors identified on their returns (Table 15).

- The most common math error found in TY 2013 individual tax returns was associated with calculation of income or other taxes (Table 15).

**Table 14. Information Reporting Program, Fiscal Year 2014**

Item	Number or amount
<b>Number of information returns received (thousands) [1]:</b>	
<b>Total</b>	<b>2,283,944</b>
Paper	40,115
Electronic	1,956,510
Other [2]	287,319
<b>Automated Underreporter Program [3]:</b>	
Number of contacts (closed cases, thousands) [4]	3,777
Amount of additional assessments (thousands of dollars) [5]	5,905,548
Number of full-time equivalent positions [6]	1,952
<b>Automated Substitute for Return Program [7]:</b>	
Number of contacts (closed cases, thousands) [4]	571
Amount of additional assessments (thousands of dollars) [8]	2,628,302
Number of full-time equivalent positions [6]	125

[1] Includes Forms 1042-S (foreign person's U.S.-source income subject to withholding); the Form 1098 series (including mortgage interest, student loan interest, and tuition payments); the Form 1099 series (including interest and dividend distributions); the Form 5498 series (including individual retirement arrangement and medical savings account information); Forms W-2 (wage and tax statements); Forms W-2G (certain gambling winnings); and Schedules K-1 (partnership, S corporation, and estate or trust distributions). Information from these forms and schedules is matched to that reported on income tax returns.

[2] Includes Forms SSA-1099 (Social Security benefit statement); RRB-1099 (payments by the Railroad Retirement Board); and W-2 (wage and tax statement) processed by the Social Security Administration.

[3] Under the Automated Underreporter (AUR) Program, the IRS uses information returns from third parties (such as Forms W-2 and 1099) to identify unreported income on returns filed by taxpayers.

[4] Reflects the number of closed cases for which a notice was issued to a taxpayer.

[5] Excludes interest and penalties.

[6] Reflects the total staff hours expended, converted to the number of full-time positions.

[7] Under the Automated Substitute for Return Program (ASFR), the IRS uses information returns from third parties (such as Forms W-2 and 1099) to identify tax return delinquencies, constructs tax returns for certain nonfilers based on that third-party information, and assesses tax, interest, and penalties based on the substitute returns.

[8] Includes tax and interest and penalties assessed.

**SOURCES:**

Wage and Investment, Compliance, Reporting Compliance, Policy, Monitoring, Analysis and Quality; Wage and Investment, Compliance, Reporting Compliance, Automated Underreporter Program; Small Business/Self-Employed, Enterprise Collection Strategy, Collection Analytics, Automation, Inventory Selection and Delivery; Small Business/Self-Employed, Campus Compliance Services, Campus Reporting Compliance, Document Matching.

**Table 15. Math Errors on Individual Income Tax Returns, by Type of Error, Calendar Year 2014**

Math error	Tax Year 2013 returns		Tax Year 2012 and prior-year returns	
	Number	Percentage of total	Number	Percentage of total
	(1)	(2)	(3)	(4)
<b>Math error notices [1]</b>	<b>1,703,432</b>	<b>N/A</b>	<b>332,031</b>	<b>N/A</b>
<b>Math errors, total [1]</b>	<b>2,266,024</b>	<b>100.0</b>	<b>491,597</b>	<b>100.0</b>
Tax calculation/other taxes [2]	588,175	26.0	83,320	16.9
Exemption number/amount	324,507	14.3	130,810	26.6
Standard/itemized deduction	278,188	12.3	45,063	9.2
Earned Income Tax Credit	256,312	11.3	69,364	14.1
First-time homebuyer credit repayment	211,621	9.3	10,724	2.2
Adjusted gross/taxable income amount	106,818	4.7	18,977	3.9
Other credits [3]	89,806	4.0	23,193	4.7
Child tax credit	89,116	3.9	21,525	4.4
Refund/amount owed	88,156	3.9	19,771	4.0
Education credits [4]	65,441	2.9	10,025	2.0
Adjustments to income	51,195	2.3	13,928	2.8
Filing status	44,135	1.9	25,446	5.2
Withholding or excess Social Security payments	40,689	1.8	10,772	2.2
Other [5]	31,865	1.4	8,679	1.8

N/A—Not applicable.

[1] A math error notice to the taxpayer may address more than one type of math error. Therefore, the total number of errors exceeds the total number of notices.

[2] Includes all errors associated with the calculation and assessment of income taxes, as well as other taxes, such as self-employment tax, alternative minimum tax, and household employment tax.

[3] Encompasses all credits other than the following credits which are shown separately: Earned Income Tax Credit, First-Time Homebuyer Credit, Child Tax Credit, Hope Credit, and American Opportunity and Lifetime Learning Credit.

[4] Includes the Hope Credit and the American Opportunity Tax Credit.

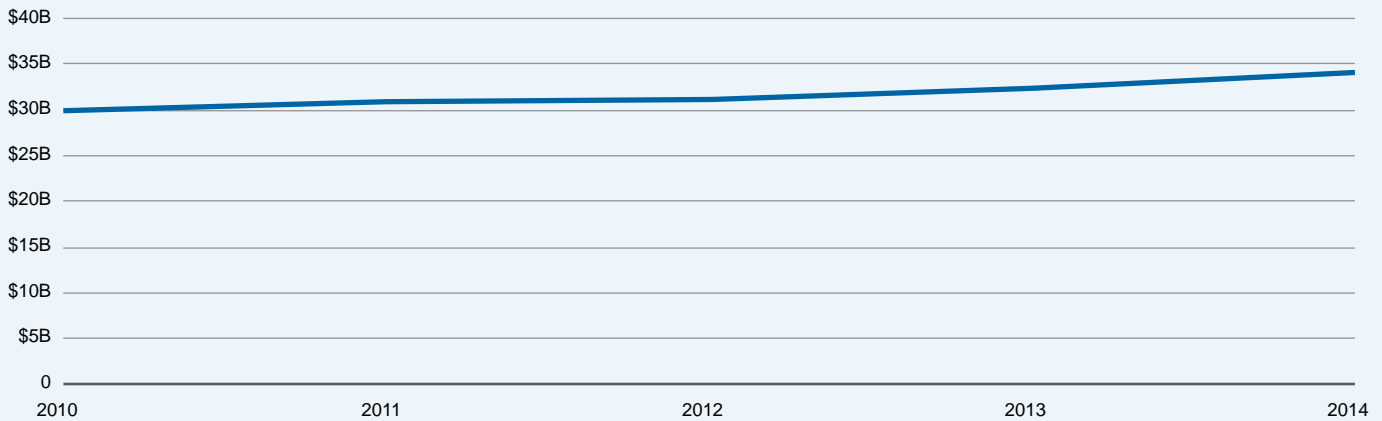
[5] Includes miscellaneous errors and unique error types not included in any other math error definitions.

**NOTE:**

Math errors include a variety of conditions such as computational errors, incorrectly transcribed values, and omitted entries identified during the processing of tax returns.

SOURCE: Wage and Investment, Customer Account Services, Submission Processing, Paper Processing, Individual Master File.



**Additional Tax Due, Net Total Amount Collected, Fiscal Years 2010–2014**

SOURCE: IRS Data Book Table 16

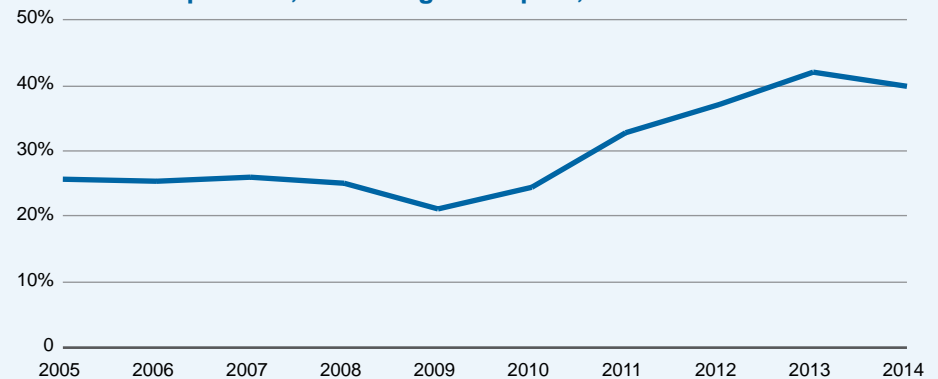
## Enforcement:

### Collections, Penalties, and Criminal Investigation

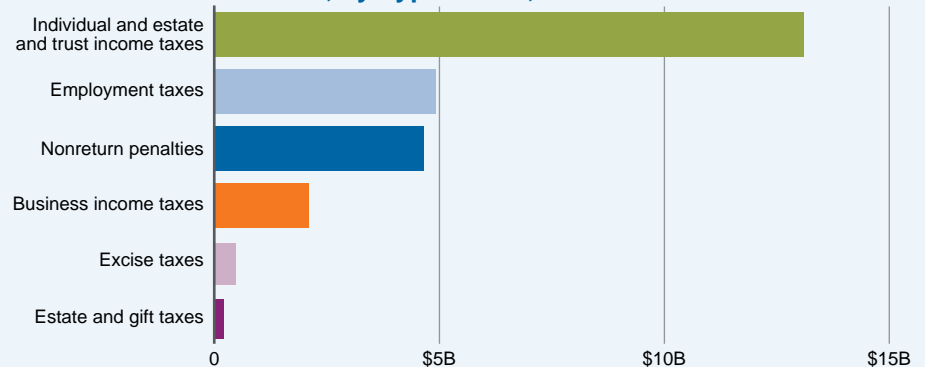
The mission of the IRS's Collection function is to collect Federal taxes that have been reported or assessed but not paid, and to secure tax returns that have not been filed. Additionally, failure to comply may result in civil penalties or, in some cases, criminal investigation, which may in turn result in prosecution, fines, and imprisonment. Section 4 of the *IRS Data Book* presents information on collections, penalties, and criminal prosecutions resulting from individuals' or entities' failure to comply with the tax code.

#### Highlights of the Data

- Overall, in Fiscal Year (FY) 2014, the IRS collected, net of credit transfers, almost \$34.2 billion in unpaid assessments on returns filed with additional tax due (Table 16).
- The IRS assessed \$14.2 billion in additional taxes for returns not filed timely and collected \$1.9 billion with delinquent returns (Table 16).
- In FY 2014, taxpayers proposed 68,000 offers in compromise to settle existing tax liabilities for less than the full amount owed. IRS accepted 27,000 offers, amounting to \$179.4 million, during the year (Table 16).
- The IRS assessed almost \$25.6 billion in civil penalties. Slightly more than half of that amount, \$13.1 billion, was assessed in civil penalties on individual and estate and trust income tax returns (Table 17).

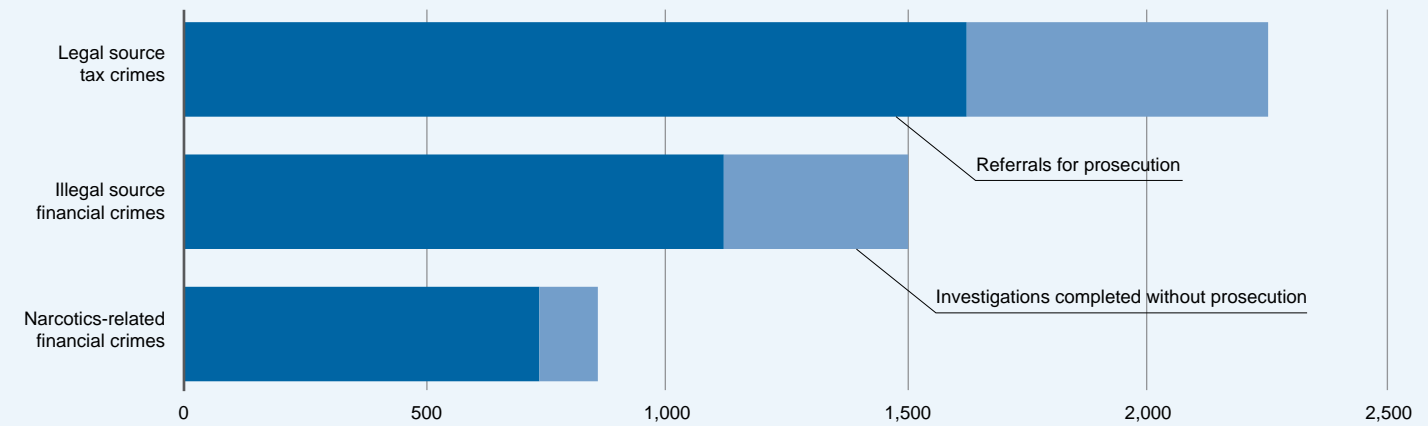
**Offers in Compromise, Percentage Accepted, Fiscal Years 2005–2014**

SOURCE: IRS Data Book Table 16

**Civil Penalties Assessed, by Type of Tax, Fiscal Year 2014**

SOURCE: 2014 IRS Data Book Table 17

## Number of Criminal Investigations Completed, by Type, Fiscal Year 2014



SOURCE: 2014 IRS Data Book Table 18

- The IRS abated almost \$9.9 billion in civil penalties during the year, including \$4.1 billion in abatements for individual and estate and trust income tax returns (Table 17).
- In FY 2014, the IRS initiated 4,297 criminal investigations in these three areas—legal source tax crimes, illegal source financial crimes, and narcotics related financial crimes. The IRS completed 4,606 investigations in these areas (Table 18).
- Legal source tax crime investigations involve activities, industries, and occupations that generate legitimate income. The Legal Source Tax Crimes Program also includes cases that may threaten the tax system, such as frivolous challenges to the legitimacy of the tax laws; unscrupulous tax return preparers; and fraudulent refund schemes. During FY 2014, the IRS completed 2,249 legal source tax crime investigations (Table 18).
- Illegal source financial crimes relate to proceeds derived from unlawful sources, other than narcotics. These involve tax and tax-related violations, as well as money laundering. During FY 2014, the IRS completed 1,502 illegal source tax crime investigations (Table 18).
- The Narcotics Program investigates narcotics-related tax and money-laundering crimes. The IRS often cooperates with the Justice Department and other law enforcement agencies to accomplish its mission. During FY 2014, the IRS completed 855 narcotics-related financial crime investigations (Table 18).

**Table 16. Delinquent Collection Activities, Fiscal Years 2013 and 2014**

[Money amounts are in thousands of dollars]

Activity	2013	2014
<b>Returns filed with additional tax due:</b>		
Total yield from unpaid assessments [1]	47,152,648	48,951,974
Less: Credit transfers [2]	14,687,867	14,759,090
Equals: Net total amount collected	32,464,781	34,192,884
Taxpayer delinquent accounts (thousands):		
Number in beginning inventory	11,464	11,721
Number of new accounts	7,788	7,658
Number of accounts closed	7,530	6,970
Ending inventory:		
Number	11,721	12,410
Balance of assessed tax, penalties, and interest [3]	120,734,098	130,619,989
<b>Returns not filed timely:</b>		
Delinquent return activity:		
Net amount assessed [4]	15,161,841	14,173,795
Amount collected with delinquent returns	1,763,523	1,905,254
Taxpayer delinquency investigations (thousands) [5]:		
Number in beginning inventory	3,937	3,659
Number of new investigations	1,598	1,563
Number of investigations closed	1,876	1,682
Number in ending inventory	3,659	3,540
<b>Offers in compromise (thousands) [6]:</b>		
Number of offers received	74	68
Number of offers accepted	31	27
Amount of offers accepted	195,379	179,354
<b>Enforcement activity:</b>		
Number of notices of Federal tax liens filed [7]	602,005	535,580
Number of notices of levy requested on third parties [8]	1,855,095	1,995,987
Number of seizures [9]	547	432

- [1] Includes amounts collected through collection activity on previously unpaid assessed taxes plus assessed and accrued penalties and interest. Assessed tax may result from voluntarily filed returns, examinations of taxpayers' returns, or a combination of both.
- [2] In this instance, credit transfers are credits transferred from one tax module to another tax module where the receiving module is in collection status. These credit transfers are then subtracted from total yield to avoid overstating the net total amount collected.
- [3] Includes assessed penalties and interest but excludes any accrued penalties and interest. Assessed penalties and interest—usually determined simultaneously with the unpaid balance of tax—are computed on the unpaid balance of tax from the due date of the return to the date of assessment. Penalties and interest continue to accrue after the date of assessment until the taxpayer's balance is paid in full.
- [4] Includes net assessment of tax, penalty, and interest amounts (less prepaid credits, withholding, and estimated tax payments) on delinquent tax returns secured by Collection activity. Excludes accrued penalty and interest.
- [5] A delinquency investigation is opened when a taxpayer does not respond to an IRS notice of a delinquent return.
- [6] An offer in compromise is a proposal by a taxpayer to the Federal Government that would settle a tax liability for payment of less than the full amount owed. Absent special circumstances, an offer will not be accepted if the IRS believes the liability can be paid in full as a lump sum or through a payment agreement.
- [7] Represents the number of lien requests entered into the IRS Automated Lien System.
- [8] Represents the number of levies requested upon third parties by the Automated Collection System and Field Collection programs.
- [9] Represents the number of seizures conducted by the Field Collection program.

**NOTES:**

Detail may not add to totals because of rounding.

All amounts are in current dollars.

This table reflects delinquent collection activities for all return types.

SOURCE: Small Business/Self-Employed, Collection, Performance Planning and Analysis, Reports, Collection Data Assurance.

**Table 17. Civil Penalties Assessed and Abated, by Type of Tax and Type of Penalty, Fiscal Year 2014**

[Money amounts are in thousands of dollars]

Type of tax and type of penalty	Civil penalties assessed [1]		Civil penalties abated [1, 2]	
	Number	Amount	Number	Amount
	(1)	(2)	(3)	(4)
<b>Civil penalties, total</b>	<b>40,357,481</b>	<b>25,560,362</b>	<b>4,969,392</b>	<b>9,891,799</b>
<b>Individual and estate and trust income taxes:</b>				
<b>Civil penalties, total [3]</b>	<b>31,235,124</b>	<b>13,084,133</b>	<b>3,256,068</b>	<b>4,124,998</b>
Accuracy [4]	554,467	1,072,236	115,787	417,858
Bad check	431,859	65,987	11,666	20,769
Delinquency	3,223,243	4,937,902	660,474	2,233,057
Estimated tax	8,902,388	1,148,632	188,813	165,518
Failure to pay	18,114,683	5,620,634	2,274,073	1,258,215
Fraud	3,326	174,318	192	12,032
Other [5]	5,158	64,424	5,063	17,549
<b>Business income taxes:</b>				
<b>Civil penalties, total</b>	<b>1,085,395</b>	<b>2,120,309</b>	<b>235,108</b>	<b>959,172</b>
Accuracy [4, 6]	5,009	221,182	377	74,407
Bad check [6]	8,950	26,619	791	17,952
Delinquency [6]	511,344	1,050,259	159,468	483,548
Estimated tax [6]	239,191	195,799	8,668	75,928
Failure to pay [6]	307,120	455,002	61,946	247,783
Fraud [6]	166	19,076	4	99
S corporation/Partnership information [7]	13,518	127,099	1,332	10,518
Other [6]	97	25,273	2,522	48,938
<b>Employment taxes:</b>				
<b>Civil penalties, total [8]</b>	<b>6,946,702</b>	<b>4,959,919</b>	<b>1,234,391</b>	<b>2,095,513</b>
Accuracy [4]	2,593	7,450	102	2,116
Bad check	480,174	64,286	201,942	44,865
Delinquency	1,429,205	975,560	231,910	349,088
Estimated tax	6,155	12,429	978	6,685
Failure to pay	3,495,287	956,966	507,796	253,812
Federal tax deposits	1,532,364	2,919,726	291,652	1,438,805
Fraud	455	11,620	6	139
Other	469	11,882	5	3
<b>Excise taxes:</b>				
<b>Civil penalties, total [9]</b>	<b>678,944</b>	<b>478,406</b>	<b>179,817</b>	<b>338,980</b>
Accuracy [4]	872	872	95	105
Bad check	4,786	783	589	2,063
Daily delinquency [10]	65,016	210,413	49,097	178,540
Delinquency	230,561	61,283	21,198	15,064
Estimated tax	10,786	1,622	384	271
Failure to pay	325,440	36,099	70,314	13,574
Federal tax deposits	5,564	29,617	1,695	14,016
Fraud	24	15,110	8	11
Other	35,895	122,606	36,437	115,336
<b>Estate and gift taxes:</b>				
<b>Civil penalties, total [11]</b>	<b>9,251</b>	<b>222,117</b>	<b>5,209</b>	<b>178,371</b>
Accuracy [4]	91	14,653	23	6,719
Bad check	38	207	23	332
Delinquency	3,678	138,705	2,368	123,261
Failure to pay	5,264	66,327	2,671	46,509
Fraud	0	0	0	0
Other	180	2,225	124	1,549
<b>Nonreturn penalties [12]</b>	<b>402,065</b>	<b>4,695,478</b>	<b>58,799</b>	<b>2,194,766</b>

[1] Assessments and abatements of penalties included here were recorded in Fiscal Year 2014 regardless of the tax year to which the penalty may apply.

[2] An abatement is a reduction of assessed penalties. The IRS may approve an abatement of a penalty for: IRS error; reasonable cause; administrative and collection costs not warranting collection of penalty; discharge of penalty in bankruptcy; and the IRS's acceptance of partial payment of assessed penalty.

[3] Represents penalties associated with the Form 1040 series (individual income tax return series) and Form 1041 (estate and trust income tax return).

[4] Represents penalties for negligence; substantial understatement of income tax; substantial valuation misstatement; substantial overstatement of pension liabilities; substantial estate or gift tax valuation understatement (under Internal Revenue Code section 6662); understatement of reportable transactions (under Internal Revenue Code section 6662A); and underpayment of stamp tax (under Internal Revenue Code section 6653).

[5] Represents penalties related to failure to supply taxpayer identification number and failure to report tip income.

[6] Represents penalties associated with the Form 1120 series (corporation income tax return series) and Form 990-T (tax-exempt organization unrelated business income tax return).

**Table 17. Civil Penalties Assessed and Abated, by Type of Tax and Type of Penalty, Fiscal Year 2014—Continued****Footnotes—Continued**

- [7] Represents penalties associated with failure to provide information on Forms 1065 (partnership return) or 8752 (required payment or refund for an S corporation or partnership under Internal Revenue Code section 7519), or failure to file electronically Form 1065-B (large partnership return).
- [8] Represents penalties associated with Forms 940 (employer's Federal unemployment tax return); 941 (employer's tax return for income and Social Security taxes withheld for other than household and agricultural employees); 943 (employer's tax return for agricultural employees); 944 (employer's tax return); 945 (tax return for withheld income tax from nonpayroll distributions); 1040, Schedule H (household employment taxes); 1042 (tax return of withheld income tax on U.S.-source income of foreign persons); and CT-1 (railroad retirement tax return).
- [9] Represents penalties associated with Forms 11-C (occupational tax and registration for wagering return); 720 (excise tax return); 730 (excise tax return for wagering); 990 (tax-exempt organization information return); 990-PF (private foundation return); 1041-A (information return of charitable contribution deductions by certain trusts); 1120-POL (income tax return for certain political organizations); 2290 (heavy highway vehicle use tax return); 4720 (excise tax return of charities and other persons); 5227 (split-interest trust information return); and 8886-T (disclosure by tax-exempt entity regarding prohibited tax shelter transaction).
- [10] Represents penalties under Internal Revenue Code sections 6652(c)(2)(A) and (B) related to tax-exempt organizations or trusts. Penalties are assessed on a daily basis for failure to file Forms 990 (tax-exempt organization information return); 1041-A (information return of charitable contribution deductions by certain trusts); 1120-POL (income tax return for certain political organizations); 5227 (split-interest trust information return); or 8886-T (disclosure by tax-exempt entity regarding prohibited tax shelter transaction).
- [11] Represents penalties associated with Forms 706 (estate tax return) and 709 (gift tax return).
- [12] Represents various penalties assessed and abated for a wide range of noncompliant behaviors, such as noncompliance related to tax return preparers and to information returns (e.g., Forms 1099, W-2, 3520-A, 8027, and 8300), as well as aiding and abetting; frivolous return filings; and misuse of dyed fuel. Also includes trust fund recovery penalties. Withheld income and employment taxes, including Social Security taxes, railroad retirement taxes, or collected excise taxes, are collectively called trust fund taxes because employers actually hold the employee's money in trust until they make a Federal tax deposit in that amount. Trust fund recovery penalties are assessed when these employment taxes are not collected, accounted for, and paid timely. The amount of trust fund recovery penalties credited in Fiscal Year 2014 was \$826,907,000 and is included in the amount abated.

NOTE: Detail may not add to totals because of rounding.

SOURCE: Chief Financial Officer, Financial Management.

**Table 18. Criminal Investigation Program, by Status or Disposition, Fiscal Year 2014**

Status or disposition [1]	Total	Legal source tax crimes [2]	Illegal source financial crimes [3]	Narcotics-related financial crimes [4]
	(1)	(2)	(3)	(4)
<b>Investigations initiated</b>	<b>4,297</b>	<b>1,976</b>	<b>1,475</b>	<b>846</b>
<b>Investigations completed</b>	<b>4,606</b>	<b>2,249</b>	<b>1,502</b>	<b>855</b>
Referrals for prosecution	3,478	1,621	1,123	734
Investigations completed without prosecution	1,128	628	379	121
Indictments and informations [5]	3,272	1,513	1,071	688
Convictions	3,110	1,398	1,116	596
Sentenced	3,268	1,373	1,188	707
Incarcerated [6]	2,601	1,102	908	591
Percentage of those sentenced who were incarcerated [6]	79.6	80.3	76.4	83.6

[1] Investigations may cross fiscal years. Therefore, the disposition of investigations shown in this table may be related to investigations initiated in prior years.

[2] Under the Legal Source Tax Crimes Program, IRS Criminal Investigation identifies, investigates, and assists in the prosecution of crimes involving legal industries, legal occupations, and, more specifically, legally earned income associated with the violation of Title 26 (tax violations) and Title 18 (tax-related violations) of the U.S. Code. The Legal Source Tax Crimes Program also includes those cases that threaten the tax system, such as Questionable Refund Program (QRP) cases, unscrupulous return preparers, frivolous filers/nonfilers who challenge the legality of the filing requirements and employment tax cases.

[3] Under the Illegal Source Financial Crimes Program, IRS Criminal Investigation identifies, investigates, and assists in the prosecution of crimes involving proceeds derived from illegal sources other than narcotics. These encompass all tax and tax-related violations, as well as money-laundering and currency violations under the following statutes: Title 26 (tax violations); Title 18 (tax-related and money-laundering violations); and Title 31 (currency violations) of the U.S. Code. The utilization of forfeiture statutes to deprive individuals and organizations of illegally obtained assets is also linked to the investigation of criminal charges within this program.

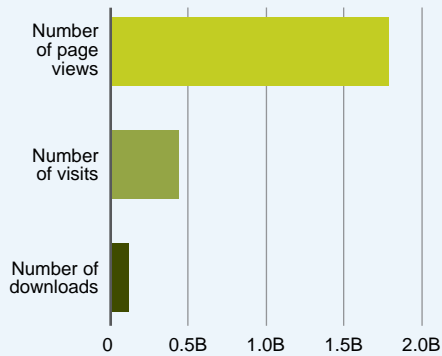
[4] Under the Narcotics-Related Financial Crimes Program, IRS Criminal Investigation seeks to identify, investigate, and assist in the prosecution of the most significant narcotics-related tax and money-laundering offenders. The IRS derives authority for this program from the statutes for which it has jurisdiction: Title 26 (tax violations); Title 18 (tax-related and money-laundering violations); and Title 31 (currency violations) of the U.S. Code. IRS Criminal Investigation also devotes resources to high-level multiagency narcotics investigations warranting Organized Crime Drug Enforcement Task Force (OCDETF) designation in accordance with OCDETF Program reimbursable funding.

[5] Both "indictments" and "informations" are accusations of criminal charges. An "indictment" is an accusation made by a Federal prosecutor and issued by a Federal grand jury. An "information" is an accusation brought by a Federal prosecutor without the requirement of a grand jury.

[6] The term "incarcerated" may include prison time, home confinement, electronic monitoring, or a combination thereof.

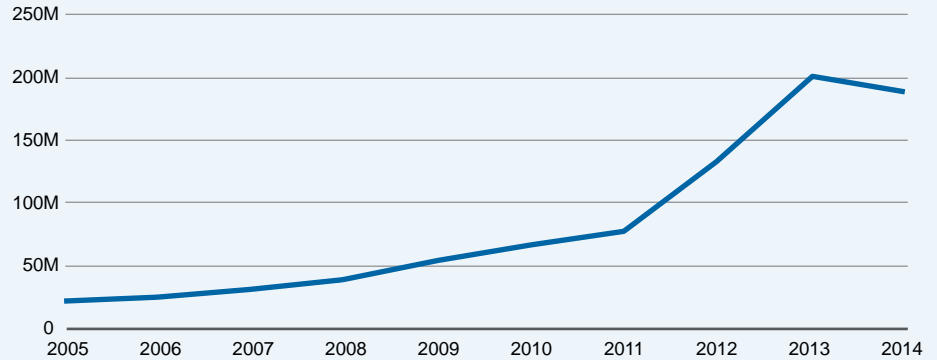
SOURCE: Criminal Investigation, Communications and Education Division.

IRS Website Usage, Fiscal Year 2014



SOURCE: 2014 IRS Data Book Table 19

“Where’s My Refund” Inquiries, Fiscal Years 2005–2014



SOURCE: IRS Data Book Table 19

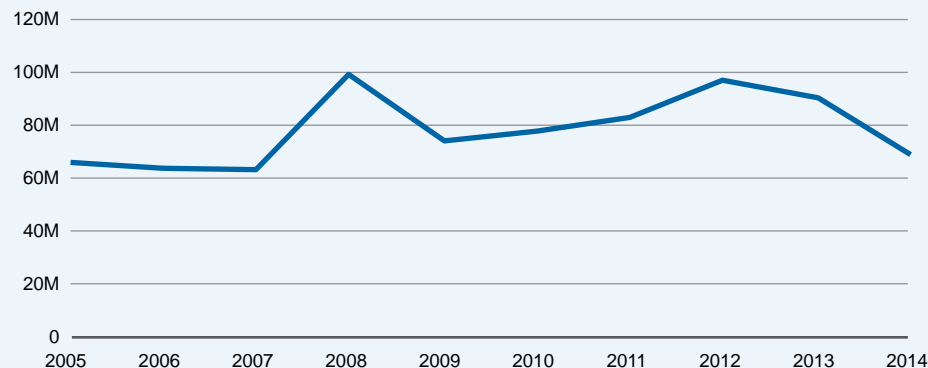
## Taxpayer Assistance

Section 5 of the *Data Book* provides information on the scope and composition of the IRS’ taxpayer assistance programs. The IRS assists taxpayers in meeting their Federal tax return filing and payment obligations in a variety of ways, such as through its telephone helpline, via the Internet, at IRS walk-in sites, and through volunteer income tax return assistants. The section also presents information on the IRS Taxpayer Advocate Service and IRS Office of Appeals workload.

### Highlights of the Data

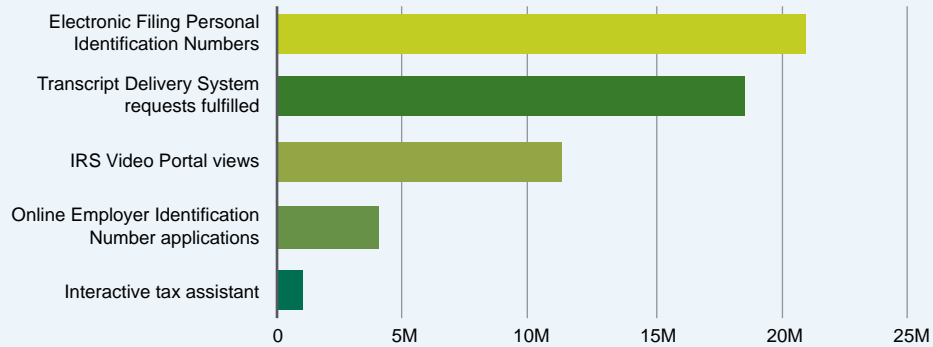
- In Fiscal Year (FY) 2014, the IRS provided taxpayer assistance through over 437.1 million visits to IRS.gov and assisted over 69.4 million taxpayers through its toll-free telephone helpline or at walk-in sites (Table 19).
- Electronic transactions continued to be popular, with 189.1 million queries received for the “Where’s My Refund” service, 18.5 million requests for information through the electronic Transcript Delivery Service, nearly 21.0 million requests for Electronic Filing Personal Identification numbers, 4.1 million requests online for Employer Identification Numbers, and almost one million questions received via the interactive tax assistant (Table 19).

Call and Walk-in Assistance, Total, Fiscal Years 2005–2014



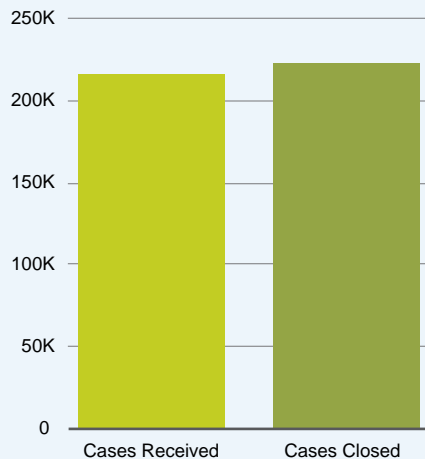
SOURCE: IRS Data Book Table 19

## Recently Added Taxpayer Assistance Features, Fiscal Year 2014



SOURCE: 2014 IRS Data Book Table 19

## Taxpayer Advocate Service, Cases Received and Cases Closed, Fiscal Year 2014

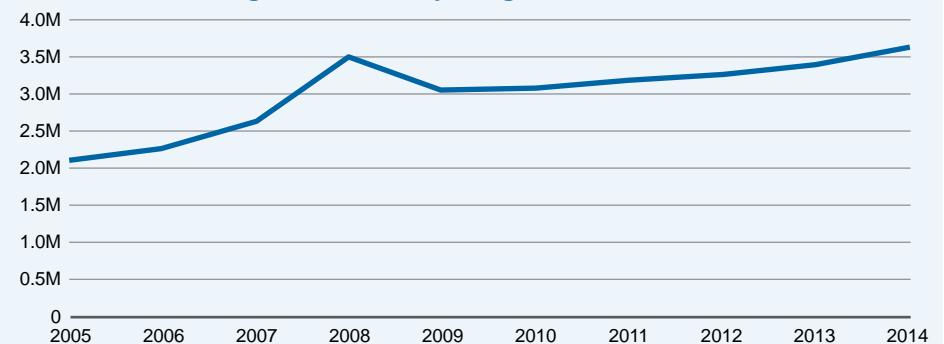


SOURCE: 2014 IRS Data Book Table 20

- The Taxpayer Advocate Service (TAS) is an independent organization within the IRS that helps taxpayers resolve problems with the IRS and recommends changes that will prevent those problems in the future. Taxpayers may submit an application for assistance to TAS. In FY 2014, TAS received 216,697 new requests for assistance and closed 222,974 cases, including those received in a prior fiscal year (Table 20).
- The mission of Appeals is to resolve tax controversies without litigation, on a basis that is fair

and impartial to both the taxpayer and the Federal Government. The Appeals Office considers cases that involve examination, collection, and penalty issues. Taxpayers who disagree with IRS findings in their cases may request an Appeals hearing. The local Appeals Office is separate and independent of the IRS office that proposed the tax adjustment, collection action, or penalty. During FY 2014, the IRS Appeals Office received 113,608 new cases and closed 115,472 cases, including those received in a prior fiscal year (Table 21).

## Federal Returns Prepared Through Volunteer Income Tax Assistance and Tax Counseling for the Elderly Programs, Fiscal Years 2005–2014



SOURCE: IRS Data Book Table 19

**Table 19. Selected Taxpayer Assistance and Education Programs, by Type of Assistance or Program, Fiscal Year 2014**

Type of assistance or program	Number or percentage
<b>Call and walk-in assistance, total</b>	<b>69,385,822</b>
Toll-free assistance calls [1]:	
Automated	40,796,923
Live	23,111,620
Taxpayer Assistance Center contacts [2]	5,477,279
<b>Accuracy of toll-free telephone assistance:</b>	
Tax law questions (percentage accurate)	95.0
Account questions (percentage accurate)	96.2
<b>Forms and publications (paper products):</b>	
Orders for forms, publications, and paper products	2,681,431
Number of non-IRS outlets stocking paper products [3]	11,214
<b>Assistance provided through the Internet (IRS.gov):</b>	
IRS Website usage [4]:	
Number of visits	437,110,154
Number of page views	1,789,021,039
Number of downloads [5]	117,795,950
IRS Video Portal views [6]	11,255,386
Electronic transactions, total	233,600,993
"Where's My Refund" inquiries	189,130,955
Transcript Delivery System requests fulfilled [7]	18,501,336
Online Employer Identification Number applications	4,058,058
Electronic Filing Personal Identification Numbers [8]	20,966,263
Interactive tax assistant [9]	944,381
<b>Disaster and emergency assistance:</b>	
Disaster incidents [10]:	
State incidents	7
County/city incidents	51
Taxpayers assisted [11]:	
Number of toll-free disaster hotline calls	19,910
Number of taxpayers assisted at Disaster Recovery Centers	81
<b>Taxpayer education and tax return preparation for individual taxpayers:</b>	
Federal returns prepared through Volunteer Income Tax Assistance and Tax Counseling for the Elderly programs	3,646,562
Volunteers assisting in taxpayer education and return preparation programs	93,082
Volunteer Tax Preparation Assistance sites	12,319
<b>Taxpayer outreach for small business and self-employed taxpayers:</b>	
Number of events [12]	3,719
Number of participants	113,438
Electronic newsletter subscriptions:	
Number targeted to small business owners and payroll providers	402,563
Number targeted to tax professionals	305,550

[1] Includes calls answered by Customer Account Services and automated calls (including TeleTax and Tax Exempt and Government Entities Division), but excludes calls answered by Automated Collection Services.

[2] Includes contacts at 383 IRS Taxpayer Assistance Centers. Excludes Volunteer Income Tax Assistance and Tax Counseling for the Elderly sites, which are shown separately in this table.

[3] Represents the number of organizations that distribute paper forms and publications or make reproducible forms and publications available. Some organizations may have multiple sites.

[4] An increasing number of taxpayers receive assistance via IRS.gov. This online assistance is reported as visits, page views, and downloads. A Website visit is a session that begins when a user views his or her first Webpage and ends when the user leaves the IRS.gov Website. Users may access multiple Webpages during a single visit to the IRS Website; these are counted as page views. A download is the process of copying a file, such as Form 1040, from the IRS.gov Website to the user's personal computer.

[5] In Fiscal Year 2014, the download statistic decreased relative to 2013 due primarily to a change in the Web-metrics available after the March 2013 release of the redesigned IRS.gov Website.

[6] The IRS Video Portal provides information through audio and video presentations, as well as webinars (electronic seminars) on a variety of tax-related topics.

[7] The Transcript Delivery System enables authorized tax practitioners to order tax account, tax return transcript, and other tax information for their business and individual clients. Requests are returned to the practitioner's computer through a secure online connection within minutes of the request.

[8] An Electronic Filing Personal Identification Number can be used in lieu of the prior-year adjusted gross income to verify a taxpayer's identity for electronic filing.

[9] The interactive tax assistant is a tax law resource that takes taxpayers through a series of questions and provides answers to their tax law questions.

[10] Reflects events for which the Federal Emergency Management Agency designated major disaster areas and the IRS granted administrative tax relief.

[11] Both the number of toll-free disaster hotline calls and the number of taxpayers assisted at Disaster Recovery Centers decreased from Fiscal Year (FY) 2013 when the IRS assisted taxpayers after Hurricane Sandy. In FY 2013, the IRS assisted 7,392 taxpayers at Disaster Recovery Centers with 50,078 toll-free disaster hotline calls.

[12] Includes Tax Practitioner Institutes, Small Business Forums, Small Business Tax Workshops, tax practitioner and payroll provider meetings, governmental contacts, and miscellaneous stakeholder meetings and events. Includes virtual technology-based sessions.

SOURCES: Wage and Investment, Strategy and Finance, Program Management Office; Online Services, Online Engagement, Operations and Media; Small Business/Self-Employed, Communications, Outreach, Systems and Solutions; Communications and Liaison, National Public Liaison.

**Table 20. Taxpayer Advocate Service: Postfiling Taxpayer Assistance Program, by Type of Issue and Relief, Fiscal Year 2014**

Type of issue and relief	Number	Percentage of total
<b>Taxpayer Advocate Service cases received, by type of issue [1]:</b>		
<b>Total</b>	<b>216,697</b>	<b>100.0</b>
Stolen identity	43,690	20.2
Pre-refund wage verification hold	35,220	16.3
Earned Income Tax Credit	13,450	6.2
Processing amended returns	10,245	4.7
Levies	8,086	3.7
Processing original returns	7,664	3.5
Injured spouse claims	7,284	3.4
Examination reconsideration	6,768	3.1
Open examination	5,302	2.4
IRS offset to IRS tax liability	4,789	2.2
Closed Automated Underreporter Program [2]	3,821	1.8
Unpostable and rejected returns	3,751	1.7
Other refund inquiries/issues [3]	3,740	1.7
Installment agreements	3,737	1.7
Application for tax-exempt status	3,589	1.7
All others	55,561	25.6
<b>Taxpayer Advocate Service cases closed, by type of resolution [1]:</b>		
<b>Total</b>	<b>222,974</b>	<b>100.0</b>
<b>Relief provided to taxpayer, total</b>	<b>173,692</b>	<b>77.9</b>
Taxpayer Assistance Order issued [4]	280	0.1
No Taxpayer Assistance Order issued [4]	173,412	77.8
Full relief	157,400	70.6
Individual taxpayer issue [5]	144,763	64.9
Systemic issue [6]	12,637	5.7
Partial relief	16,012	7.2
Individual taxpayer issue [5]	14,937	6.7
Systemic issue [6]	1,075	0.5
<b>No relief provided to taxpayer, total</b>	<b>49,282</b>	<b>22.1</b>
Taxpayer Assistance Order rescinded [4]	12	[7]
No Taxpayer Assistance Order issued [4]	49,270	22.1
No response from taxpayer	28,023	12.6
No relief provided by Taxpayer Advocate Service [8]	11,068	5.0
Taxpayer withdrew application for assistance	2,686	1.2
Tax law precluded relief	1,202	0.5
Hardship not related to revenue laws	565	0.3
Hardship not validated	473	0.2
All others	5,253	2.4
<b>Congressional inquiries [9]</b>	<b>17,449</b>	<b>N/A</b>

N/A—Not applicable.

- [1] The Taxpayer Advocate Service generally receives cases from any of the following sources: IRS employee referrals based on IRS guidance; direct taxpayer requests for assistance (by phone, in person, outreach activities, or through correspondence); practitioners; and Congressional office referrals. Cases may be received in one fiscal year and closed in another.
- [2] Under the Automated Underreporter Program, the IRS uses information returns from third parties to identify unreported income on returns filed by taxpayers.
- [3] Includes cases related to erroneous, decedent, and document-fee refunds along with reimbursement of bank charges due to IRS error.
- [4] The National Taxpayer Advocate has the authority to issue a Taxpayer Assistance Order (TAO) when a taxpayer is suffering or about to suffer a significant hardship as a result of the manner in which the Internal Revenue laws are being administered if relief is not granted. A TAO directs an IRS organizational unit to take a specific action or to review, expedite consideration of, or reconsider a taxpayer's case. However, in the majority of cases, the Taxpayer Advocate Service can resolve taxpayers' issues without issuing TAOs. Taxpayer Assistance Orders may be issued in one fiscal year and closed in another.
- [5] An individual taxpayer issue is a single issue (applicable to an individual, corporation, or other entity) that requires a change or modification to an account.
- [6] A systemic issue requires a change or modification to an established IRS procedure, process, or operation (e.g., computer program) that potentially impacts more than one taxpayer.
- [7] Less than 0.05 percent.
- [8] Another IRS division provided relief before Taxpayer Advocate Service intervention.
- [9] In this table, Congressional inquiries (related to constituents' tax accounts) refers to those applications for taxpayer assistance received from Congressional offices during the fiscal year. This item is shown separately for information purposes, but counts are included in the data above.

**NOTES:**

Detail may not add to totals because of rounding.

The Taxpayer Advocate Service is an independent organization within the IRS that helps taxpayers resolve problems with the IRS and recommends changes that will prevent these problems.

SOURCE: Taxpayer Advocate Service, Business Assessment.

**Table 21. Appeals Workload, by Type of Case, Fiscal Year 2014**

Type of case	Cases received	Cases closed [1]	Cases pending September 30, 2014
	(1)	(2)	(3)
<b>Total cases [2]</b>	<b>113,608</b>	<b>115,472</b>	<b>57,373</b>
Collection Due Process [3]	40,355	41,266	20,545
Examination [4]	36,919	37,246	23,025
Penalty Appeals [5]	10,213	9,140	3,689
Offers in Compromise [6]	9,231	8,987	4,442
Innocent Spouse [7]	3,012	4,038	1,714
Industry cases [8]	1,469	1,843	1,743
Coordinated Industry cases [9]	129	165	370
Other [10]	12,280	12,787	1,845

[1] Cases closed includes cases received in Fiscal Year 2014 and in prior fiscal years.

[2] A case represents a taxpayer with one type of tax and one or more tax periods under consideration in Appeals. Cases that are temporarily assigned to Chief Counsel are not included. See Tables 26 and 27 for information on Chief Counsel activity.

[3] Includes cases where the taxpayer requested a Collection Due Process (CDP) hearing with an Appeals Officer who has had no prior involvement with the case. A CDP hearing provides the taxpayer with an opportunity to appeal IRS collection actions early in the collection process in response to a notice of Federal tax lien or notice of intent to levy. This category excludes CDP Timeliness Determination cases, which are included in the "Other" category; see footnote 10.

[4] An Examination case in Appeals involves issues in dispute by the taxpayer relating to income tax, employment tax, excise tax, estate tax, gift tax, or tax-exempt status.

[5] A Penalty Appeals case is one in which the taxpayer requests abatement of a civil penalty that was assessed before the taxpayer was given an opportunity to dispute the penalty. The taxpayer may submit a written request for abatement of the penalty, and if the request is denied, the taxpayer may appeal.

[6] An Offer in Compromise is an agreement between a taxpayer and the Federal Government that settles a tax liability for payment of less than the full amount owed. The IRS may reject a taxpayer's offer, and the taxpayer may request that Appeals review and decide whether the offer is acceptable.

[7] Includes cases in which a taxpayer who filed a joint return with a spouse or ex-spouse may apply for relief of tax, interest, and penalties if he/she meets specific requirements. An Innocent Spouse case in Appeals is one in which the taxpayer requested and was denied innocent spouse relief by the IRS.

[8] An Industry case designation is assigned to a large corporate taxpayer that does not meet the criteria to be designated as a Coordinated Industry case; see footnote 9.

[9] A Coordinated Industry case (CIC) designation is assigned to a large corporate taxpayer based on factors such as the taxpayer's gross assets, gross receipts, operating entities, industries, and/or foreign assets. A CIC taxpayer may appeal the findings of an examination conducted by the IRS.

[10] Includes cases considered by Appeals involving issues related to Abatement of Interest, Collection Appeals Program, Office of Professional Responsibility, Freedom of Information Act, Trust Fund Recovery Penalty, Collection Due Process Timeliness Determination, and other miscellaneous penalties are grouped into the "Other" category and are defined below:

*Abatement of Interest*—Cases of disputed interest on tax deficiencies or payments in which IRS errors or delays may have contributed to the assessed interest.

*Collection Appeals Program*—Provides the taxpayer, or a third party whose property is subject to a collection action, an administrative appeal for certain collection actions including levy or seizure action that was or will be taken, notice of Federal tax lien that was or will be filed, and rejected or terminated installment agreements.

*Office of Professional Responsibility*—A tax professional may appeal the findings of the IRS Office of Professional Responsibility (OPR) (formerly the IRS Office of the Director of Practice). OPR has oversight responsibility for tax professionals and investigates allegations of misconduct and negligence against attorneys, certified public accountants, enrolled agents, and other practitioners representing taxpayers before the IRS. In addition, IRS e-file applicants and providers may request an administrative review when the applicant is denied participation in IRS e-file or the provider is sanctioned while participating in IRS e-file.

*Freedom of Information Act*—A taxpayer may appeal the denial of a request for records made under the Freedom of Information Act.

*Trust Fund Recovery Penalty*—An employer is required to pay trust fund taxes to the U.S. Treasury through Federal tax deposits. Withheld income and employment taxes, including Social Security taxes, railroad retirement taxes, or collected excise taxes, are collectively called trust fund taxes because employers actually hold the employee's money in trust until they make a Federal tax deposit in that amount. A Trust Fund Recovery Penalty applies to the responsible person(s) for the total amount of trust fund taxes evaded, not collected, or not accounted for and not paid to the U.S. Treasury. The taxpayer may appeal Collection's determination.

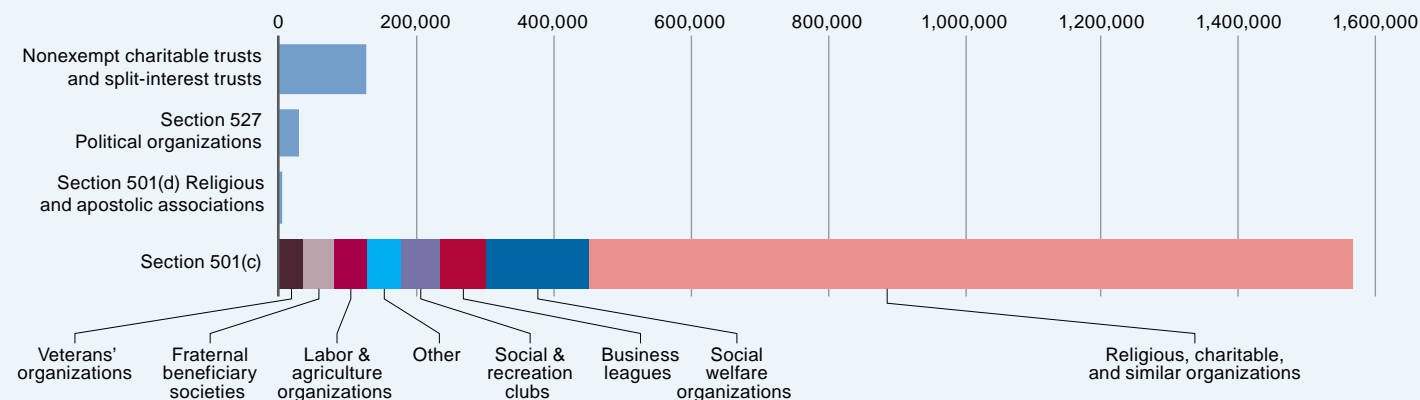
*Collection Due Process Timeliness Determination*—When a taxpayer's request for a Collection Due Process hearing or an equivalent hearing is not received timely or the request cannot be processed, Appeals may review the request and make a separate timeliness determination.

*Other Penalties*—This subcategory includes a variety of different types of penalties that may be appealed. Tax return preparers may appeal penalties imposed under Internal Revenue Code (IRC) sections 6694 and 6695 for understatement of a taxpayer's tax liability or with respect to preparation of a tax return. Tax shelter promoters may appeal penalties imposed under IRC sections 6700 or 6701 for aiding and abetting an understatement of tax liability. A penalty imposed under IRC section 6715 for dyed diesel fuel may be appealed. A taxpayer may appeal the denial of an application for an extension of time to pay estate tax under the provisions of IRC section 6161. Also includes penalties imposed under other code sections not specified in this note.

SOURCE: Appeals, Strategic Planning, Measures Analysis.



## Tax-Exempt Organizations, Nonexempt Charitable Trusts, and Nonexempt Split-Interest Trusts, Fiscal Year 2014



SOURCE: 2014 IRS Data Book Table 25

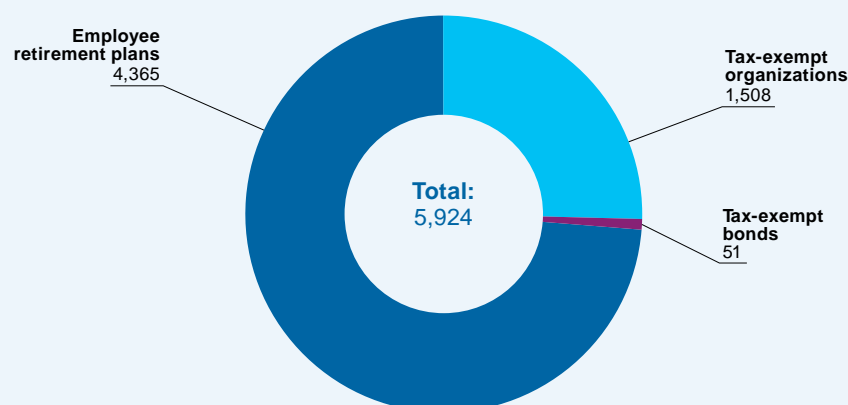
## Tax-Exempt Activities

The IRS devotes significant resources to meeting the special needs of tax-exempt organizations, employee retirement benefit plans, and Government entities in complying with tax laws. While these entities are not subject to Federal income tax, they nonetheless represent a significant aspect of tax administration. Although information on the administration, processing, and examination of returns filed by these entities is provided throughout the *IRS Data Book*, Section 6 focuses on issues related to governance.

### Highlights of the Data

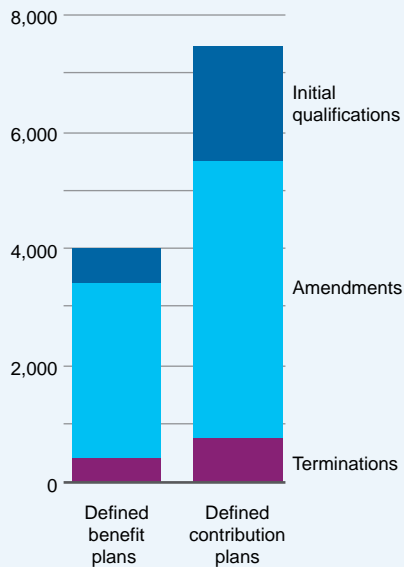
- In Fiscal Year (FY) 2014, the IRS recognized 1.7 million organizations, including new determinations, as tax-exempt. Approximately 1.6 million of these organizations were exempt under Internal Revenue Code section 501(c). The majority of these organizations were charities tax-exempt under Internal Revenue Code Section 501(c)(3) (Table 25).
- Technical activities, such as issuing rulings, providing technical assistance and advice, and issuing opinion letters, prototype plans, and correspondence, represented a large number of tax-exempt regulatory activities for FY 2014. The IRS devoted additional regulatory resources to issuing guidance and voluntary compliance agreements (Table 22).

### Tax-Exempt Guidance Issued, Fiscal Year 2014



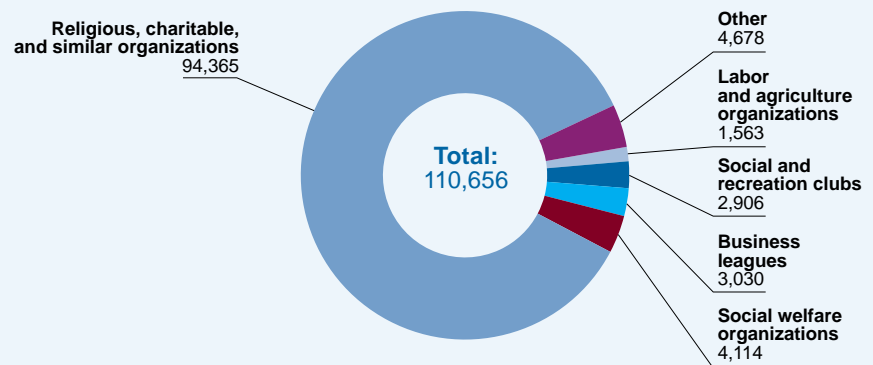
SOURCE: 2014 IRS Data Book Table 22

### Determination Letters Issued on Employee Retirement Plans, Fiscal Year 2014



SOURCE: 2014 IRS Data Book Table 23

### Number of Approvals of Applications for Tax-Exempt Status, by Organization Type, Fiscal Year 2014



SOURCE: 2014 IRS Data Book Table 24

- In FY 2014 the IRS issued a total of 11,478 determination letters on employee retirement plans. These consisted of 4,021 determination letters for defined benefit plans and 7,457 determination letters for defined contribution plans (Table 23).
- In FY 2014, the IRS closed 117,538 applications for tax-exempt status. Of those, the IRS approved tax-exempt status for 110,656 organizations (Table 24).

**Table 22. Tax-Exempt Guidance and Other Regulatory Activities, Fiscal Year 2014**

Activity	Total	Employee retirement plans	Tax-exempt organizations	Tax-exempt bonds
	(1)	(2)	(3)	(4)
<b>Total</b>	<b>5,924</b>	<b>4,365</b>	<b>1,508</b>	<b>51</b>
Guidance [1]	58	42	16	N/A
Technical activities	2,297	805	1,492	N/A
Requests for rulings	1,228	504	724	N/A
Technical assistance	86	76	10	N/A
Technical advice	41	18	23	N/A
Opinion letters on prototype plans [2]	40	40	N/A	N/A
Correspondence [3]	902	167	735	N/A
Voluntary compliance agreements	3,569	3,518	N/A	51

N/A—Not applicable.

[1] Includes published revenue rulings, revenue procedures, regulations, notices, announcements, and information/news releases.

[2] Includes opinion letters issued to IRAs (Individual Retirement Arrangements), SEPs (Simplified Employee Pensions), and SIMPLEs (Savings Incentive Match Plans for Employees).

[3] Includes both Congressional and general correspondence.

SOURCE: Tax Exempt and Government Entities.

**Table 23. Determination Letters Issued on Employee Retirement Plans, by Type and Disposition of Plan, Fiscal Year 2014**

Letters issued, disposition of plan	Total determination letters	Defined benefit plans [2]	Defined contribution plans [1]								
			Total [3]	Profit- sharing [4]	Stock bonus [5]	Money purchase [6]	Target benefit [7]	Leveraged employee stock ownership plan [8]	Nonleveraged employee stock ownership plan [9]	Section 401 (k) [10]	Other
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
<b>Total:</b>											
Number of qualified plans [11]	11,478	4,021	7,457	675	117	508	19	661	1,440	1,924	2,113
<b>Initial qualifications:</b>											
Number of qualified plans	2,623	610	2,013	385	13	44	0	139	288	202	942
Number of participating employees [12]	1,435,380	371,590	1,063,790	104,581	56,090	39,870	0	10,256	302,384	457,326	93,283
<b>Amendments:</b>											
Number of qualified plans	7,704	3,006	4,698	251	92	423	15	513	1,049	1,373	982
Number of participating employees [12]	36,895,927	19,671,581	17,224,346	590,802	534,182	973,630	54,904	406,402	2,739,947	7,562,601	4,361,878
<b>Terminations:</b>											
Number of qualified plans	1,151	405	746	39	12	41	4	9	103	349	189
Number of participating employees [12]	935,919	672,242	263,677	3,421	297	54,184	668	1,324	127,730	52,478	23,575

[1] A defined contribution plan is a retirement plan that provides an individual account for each participant. Benefits are based solely on amounts contributed to the participant's account and any earnings on these contributions.

[2] A defined benefit plan is a retirement plan that does not maintain individual account balances that reflect the accrued benefits of each plan participant. Instead, the accrued benefits are determined by a formula stated in the plan.

[3] Beginning with Fiscal Year 2014, the defined contribution plan total is the sum of columns 4–11, which includes associated section 401 (k) data reported separately in column 10.

[4] A profit-sharing plan is a retirement plan that gives employees a share in the profits of the company. Contributions to employee retirement accounts are determined as a percentage of annual company profits.

[5] A stock bonus retirement plan is funded by an employer's contributions of corporate stock to the retirement plan.

[6] A money purchase retirement plan is a retirement plan under which employer contributions are based on a fixed percentage of compensation. Contributions are required every year, regardless of earnings and profits.

[7] A target benefit retirement plan is similar to a defined benefit plan since employer contributions, which are mandatory, are based on projected retirement benefits. However, unlike a defined benefit plan, the benefits provided to participants at retirement are based on the performance of the investments and are therefore not guaranteed.

[8] A leveraged employee stock ownership plan (ESOP) is a retirement plan in which a company leverages its credit to borrow money to fund the retirement plan. The company uses the borrowed funds to purchase shares from the company's treasury for the retirement plan and makes annual contributions to repay the original loan.

[9] A nonleveraged employee stock ownership plan (ESOP) is a retirement plan in which a company contributes either cash to purchase outstanding shares of company stock or contributes a certain amount of shares from the company's treasury to employee accounts.

[10] Beginning with Fiscal Year 2014, section 401 (k) defined contribution plan data are reported and counted separately in column 10. In prior years, 401 (k) defined contribution plan data were included and counted in the plan to which they were attached (in columns 4–9 and 11).

[11] Reflects retirement plans that had determination letters issued and satisfied the qualification requirements of Federal pension law. All retirement plans reported in this table met these requirements.

[12] Totals may be overstated to the extent that employees participate in more than one retirement plan.

**NOTE:**

Some determination letter data reported in this table are not comparable to data reported in prior issues of the *IRS Data Book*. The staggered determination letter application process causes wide differences in the data from year to year.

**SOURCE:** Tax Exempt and Government Entities, Employee Plans.

**Table 24. Closures of Applications for Tax-Exempt Status, by Organization Type and Internal Revenue Code Section, Fiscal Year 2014**

Type of organization, Internal Revenue Code section	Closures of applications for tax-exempt status [1]			
	Total	Approved	Disapproved	Other [2]
	(1)	(2)	(3)	(4)
<b>Tax-exempt organizations and other entities, total [3]</b>	<b>117,538</b>	<b>110,656</b>	<b>89</b>	<b>6,793</b>
<b>Section 501 (c) by subsection, total</b>	<b>117,525</b>	<b>110,654</b>	<b>89</b>	<b>6,782</b>
(1) Corporations organized under an act of Congress	7	0	d	d
(2) Title-holding corporations	324	308	0	16
(3) Religious, charitable, and similar organizations [4]	100,032	94,365	67	5,600
(4) Social welfare organizations	4,417	4,114	8	295
(5) Labor and agriculture organizations	1,668	1,563	0	105
(6) Business leagues	3,177	3,030	5	142
(7) Social and recreation clubs	3,187	2,906	d	d
(8) Fraternal beneficiary societies	1,424	1,264	0	160
(9) Voluntary employees' beneficiary associations	325	301	d	d
(10) Domestic fraternal beneficiary societies	651	614	0	37
(11) Teachers' retirement fund associations	d	d	0	0
(12) Benevolent life insurance associations	209	191	d	d
(13) Cemetery companies	621	605	0	16
(14) State-chartered credit unions	21	17	d	d
(15) Mutual insurance companies	7	d	d	4
(17) Supplemental unemployment compensation trusts	13	9	d	d
(19) Veterans' organizations	1,371	1,299	0	72
(25) Holding companies for pensions and other entities	64	61	0	3
(27) State-sponsored workers' compensation reinsurance organizations	d	d	0	d
(29) Qualified health insurance issuers	4	d	0	d
<b>Section 501 (d) Religious and apostolic associations</b>	<b>d</b>	<b>d</b>	<b>0</b>	<b>0</b>
<b>Nonexempt charitable trusts</b>	<b>d</b>	<b>0</b>	<b>0</b>	<b>d</b>
<b>Section 521 Farmers' cooperatives</b>	<b>9</b>	<b>d</b>	<b>0</b>	<b>d</b>

d—Not shown to avoid disclosure of information about specific taxpayers. However, the data are included in the appropriate totals.

- [1] Reflects all case closures for the Exempt Organizations function. These include not only initial applications for tax-exempt status, but also other determinations, such as public charity and private foundation status determinations, advance approval of scholarship grant procedures, and group determinations of tax-exempt status.
- [2] Includes applications withdrawn by organizations, applications that did not include the required information, incomplete applications, IRS refusals to rule on applications, IRS correction disposals, and others.
- [3] No applications were closed for corporations to finance crop operations (section 501 (c)(16)); employee-funded pension trusts (section 501 (c)(18)); black lung trusts (section 501 (c)(21)); multiemployer pension plans (section 501 (c)(22)); veterans' associations founded prior to 1880 (section 501 (c)(23)); trusts described in section 4049 of the Employee Retirement Income Security Act of 1974 (ERISA) (section 501 (c)(24)); State-sponsored high-risk health insurance organizations (section 501 (c)(26)); the National Railroad Retirement Investment Trust (section 501 (c)(28)); and split interest trusts. Tax-exempt status for legal services organizations (section 501 (c)(20)) was revoked effective June 20, 1992.
- [4] Includes private foundations. Not all organizations described in section 501 (c)(3) must apply for recognition of tax-exempt status, including churches, interchurch organizations of local units of a church, integrated auxiliaries of a church, conventions or associations of churches, and organizations (other than private foundations as described in section 509(a)) that have normal gross receipts in each taxable year of not more than \$5,000. In addition, organizations may be recognized as tax-exempt under section 501 (c)(3) without filing an application if they are included in a group exemption letter given to an affiliated parent organization.

**NOTE:**

The total number of approved applications for tax-exempt status increased from 44,274 in Fiscal Year (FY) 2013 to 110,656 in FY 2014. This increase is attributable to the introduction of a streamlined application process in FY 2014 for all determination applications and the implementation of the electronic Form 1023-EZ, a streamlined three-page version of the 26-page Form 1023, Application for Recognition of Exemption Under Section 501 (c)(3) of the Internal Revenue Code.

SOURCE: Tax Exempt and Government Entities, Exempt Organizations.

**Table 25. Tax-Exempt Organizations, Nonexempt Charitable Trusts, and Nonexempt Split-Interest Trusts, Fiscal Year 2014**

Type of organization, Internal Revenue Code section	Number of organizations
<b>Tax-exempt organizations, nonexempt charitable trusts and split-interest trusts, total</b>	<b>1,723,315</b>
<b>Section 501 (c) by subsection, total</b>	<b>1,568,454</b>
(1) Corporations organized under an act of Congress	708
(2) Title-holding corporations	4,752
(3) Religious, charitable, and similar organizations [1]	1,117,941
(4) Social welfare organizations	148,585
(5) Labor and agriculture organizations	48,711
(6) Business leagues	68,208
(7) Social and recreation clubs	56,139
(8) Fraternal beneficiary societies	47,773
(9) Voluntary employees' beneficiary associations	6,909
(10) Domestic fraternal beneficiary societies	16,998
(12) Benevolent life insurance associations	5,601
(13) Cemetery companies	9,858
(14) State-chartered credit unions	2,326
(15) Mutual insurance companies	871
(17) Supplemental unemployment compensation trusts	110
(19) Veterans' organizations	32,039
(25) Holding companies for pensions and other entities	815
Other 501 (c) subsections [2]	110
<b>Section 501 (d) Religious and apostolic associations</b>	<b>222</b>
<b>Section 527 Political organizations</b>	<b>29,462</b>
<b>Nonexempt charitable trusts and split-interest trusts</b>	<b>125,177</b>

[1] Includes private foundations. Not all organizations described in section 501 (c) (3) must apply for recognition of tax-exempt status, including churches, interchurch organizations of local units of a church, integrated auxiliaries of a church, conventions or associations of churches, and organizations (other than private foundations as described in section 509 (a)) that have normal gross receipts in each taxable year of not more than \$5,000. In addition, organizations may be recognized as tax exempt under section 501 (c) (3) without filing an application if they are included in a group exemption letter given to an affiliated parent organization.

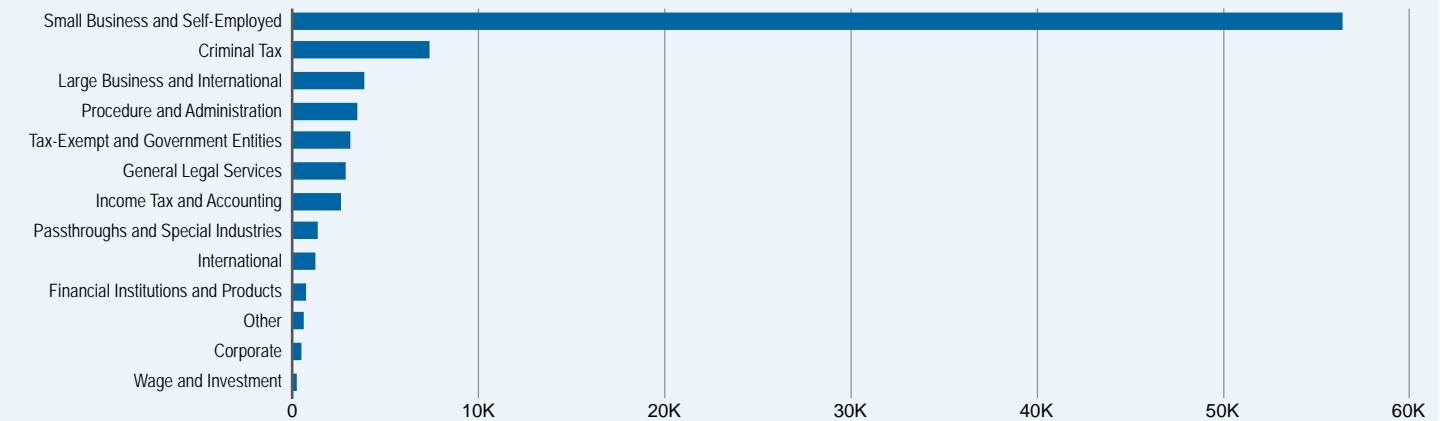
[2] Includes teachers' retirement funds (section 501 (c) (11)); corporations to finance crop operations (section 501 (c) (16)); employee-funded pension trusts (section 501 (c) (18)); black lung trusts (section 501 (c) (21)); veterans' associations founded prior to 1880 (section 501 (c) (23)); trusts described in section 4049 of the Employee Retirement Income Security Act of 1974 (ERISA) (section 501 (c) (24)); State-sponsored high-risk health insurance organizations (section 501 (c) (26)); State-sponsored workers' compensation reinsurance organizations (section 501 (c) (27)); the National Railroad Retirement Investment Trust (section 501 (c) (28)); and qualified health insurance issuers (section 501 (c) (29)). Tax-exempt status for legal services organizations (section 501 (c) (20)) was revoked effective June 20, 1992.

**NOTE:**

Information from tax-exempt organization returns is available to the public. Therefore, data in this table are not subject to IRS disclosure regulations. However, information on closures of applications for tax-exempt status (reported in Table 24) are subject to disclosure regulations.

SOURCE: Tax Exempt and Government Entities, Exempt Organizations.

### Total Cases Closed, by Type of Case, Fiscal Year 2014



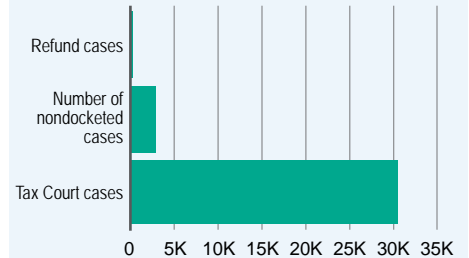
SOURCE: 2014 IRS Data Book Table 26

## Chief Counsel

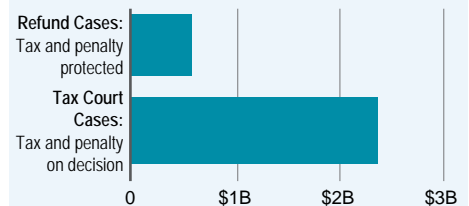
Section 7 of the *Data Book* provides an overview of the IRS Chief Counsel's workload and activities. The IRS Chief Counsel is appointed by the President of the United States, with the advice and consent of the U.S. Senate, and serves as the chief legal advisor to the IRS Commissioner on all matters pertaining to the interpretation, administration, and enforcement of the Internal Revenue Code, as well as all other legal matters. Under the IRS Restructuring and Reform Act of 1998, the Chief Counsel reports to both the IRS Commissioner and the Treasury General Counsel.

Attorneys in the Chief Counsel's Office serve as lawyers for the IRS. They provide the IRS and taxpayers with guidance on interpreting Federal tax laws correctly, represent the IRS in litigation, and provide all other legal support required to carry out the IRS mission.

### Total Cases Closed, by Type of Case, Fiscal Year 2014



### Amount of Tax and Penalty, by Type of Case, Fiscal Year 2014



SOURCE: 2014 IRS Data Book Table 27

### Highlights of the Data

- Chief Counsel received 82,423 cases and closed 84,625 cases, including some received in prior years, during the fiscal year (Table 26).
- Almost 67.0 percent of closed cases were received from the Small Business/Self-Employed Division (Table 26).
- Of the 84,625 cases closed, Chief Counsel closed 8.2 percent through guidance and assistance. This includes published guidance, advanced case resolution, treaties, legislation, Congressional and executive correspondence, training and public outreach, and prefiling legal advice to the IRS.

### Chief Counsel Cases Closed, Fiscal Years 2005–2014



SOURCE: IRS Data Book Table 27

- Of the new cases received and cases closed, 86.3 percent and 86.6 percent, respectively, were related to tax law enforcement and litigation, including Tax Court litigation; collection, bankruptcy, and summons advice and litigation; Appellate Court litigation; criminal tax; and enforcement advice and assistance (Table 26).
- In Fiscal Year 2014, General Counsel received 31,244 Tax Court cases involving a taxpayer contesting an IRS determination that he or she owed additional tax. During the fiscal year, Counsel closed 30,606 cases involving over \$6.2 billion in disputed taxes and penalties (Table 27).



**Table 26. Chief Counsel Workload: All Cases, by Office and Type of Case, Fiscal Year 2014**

Office and type of case or activity	Cases received	Cases closed	Cases pending September 30, 2014
	(1)	(2)	(3)
<b>Chief Counsel (All Offices):</b>			
<b>Total</b>	<b>82,423</b>	<b>84,625</b>	<b>54,963</b>
Guidance and assistance [1]	6,516	6,918	5,277
Tax law enforcement and litigation [2]	71,113	73,306	46,526
Other legal services to the IRS [3]	4,794	4,401	3,160
<b>Corporate:</b>			
<b>Total</b>	<b>449</b>	<b>541</b>	<b>276</b>
Guidance and assistance	203	254	185
Tax law enforcement and litigation	179	220	81
Other legal services to the IRS	67	67	10
<b>Criminal Tax:</b>			
<b>Total</b>	<b>7,237</b>	<b>7,401</b>	<b>757</b>
Guidance and assistance	62	63	8
Tax law enforcement and litigation	7,131	7,293	d
Other legal services to the IRS	44	45	d
<b>Financial Institutions and Products:</b>			
<b>Total</b>	<b>733</b>	<b>778</b>	<b>458</b>
Guidance and assistance	443	463	380
Tax law enforcement and litigation	209	237	d
Other legal services to the IRS	81	78	d
<b>General Legal Services:</b>			
<b>Total</b>	<b>3,262</b>	<b>2,888</b>	<b>2,712</b>
Guidance and assistance	31	d	21
Tax law enforcement and litigation	19	d	63
Other legal services to the IRS	3,212	2,867	2,628
<b>Income Tax and Accounting:</b>			
<b>Total</b>	<b>2,636</b>	<b>2,580</b>	<b>1,121</b>
Guidance and assistance	1,776	1,751	840
Tax law enforcement and litigation	710	673	269
Other legal services to the IRS	150	156	12
<b>International [4]:</b>			
<b>Total</b>	<b>1,086</b>	<b>1,230</b>	<b>1,162</b>
Guidance and assistance	464	563	699
Tax law enforcement and litigation	524	571	445
Other legal services to the IRS	98	96	18
<b>Large Business and International [5]:</b>			
<b>Total</b>	<b>3,007</b>	<b>3,912</b>	<b>4,011</b>
Guidance and assistance	328	584	666
Tax law enforcement and litigation	2,653	3,305	3,318
Other legal services to the IRS	26	23	27
<b>Passthroughs and Special Industries [6]:</b>			
<b>Total</b>	<b>1,366</b>	<b>1,399</b>	<b>620</b>
Guidance and assistance	776	799	518
Tax law enforcement and litigation	421	427	95
Other legal services to the IRS	169	173	7
<b>Procedure and Administration:</b>			
<b>Total</b>	<b>3,524</b>	<b>3,502</b>	<b>2,466</b>
Guidance and assistance	758	804	743
Tax law enforcement and litigation	2,252	2,255	1,363
Other legal services to the IRS	514	443	360
<b>Small Business and Self-Employed:</b>			
<b>Total</b>	<b>55,364</b>	<b>56,470</b>	<b>38,846</b>
Guidance and assistance	301	278	203
Tax law enforcement and litigation	54,978	56,105	38,585
Other legal services to the IRS	85	87	58
<b>Tax-Exempt and Government Entities:</b>			
<b>Total</b>	<b>2,873</b>	<b>3,093</b>	<b>2,304</b>
Guidance and assistance	849	862	854
Tax law enforcement and litigation	1,803	1,997	1,423
Other legal services to the IRS	221	234	27
<b>Wage and Investment:</b>			
<b>Total</b>	<b>278</b>	<b>270</b>	<b>58</b>
Guidance and assistance	130	120	23
Tax law enforcement and litigation	37	34	25
Other legal services to the IRS	111	116	10
<b>Other [7]:</b>			
<b>Total</b>	<b>608</b>	<b>561</b>	<b>172</b>
Guidance and assistance	395	d	137
Tax law enforcement and litigation	197	d	35
Other legal services to the IRS	16	16	0

Footnotes on next page.

**Table 26. Chief Counsel Workload: All Cases, by Office and Type of Case, Fiscal Year 2014—Continued****Footnotes**

d—Not shown to avoid disclosure of information about specific taxpayers. However, the data are included in the appropriate totals.

- [1] Includes published guidance, advanced case resolution, treaties, legislation, Congressional and executive correspondence, training and public outreach, and pre-filing legal advice to the IRS.
- [2] Includes Tax Court litigation; collection, bankruptcy, and summons advice and litigation; Appellate Court litigation; criminal tax; and enforcement advice and assistance. See Table 27 for tax litigation case information.
- [3] Includes electronic and other tax filing legal advice, disclosure advice and litigation, and general legal services advice and litigation.
- [4] The International Division provides legal advice, guidance, and support to the Internal Revenue Service, the Treasury Department, and the public on international tax issues in all procedural postures.
- [5] The Large Business and International (LB&I) Division provides legal advice, litigation support, and other services to the Internal Revenue Service LB&I field offices.
- [6] The Passthroughs and Special Industries (PSI) Division handles cases that involve passthrough organizations, such as S corporations and partnerships. These passthrough organizations do not pay tax on their incomes, but pass income or losses to shareholders or partners, who include the income or losses on their income tax returns. The PSI Division also handles cases on natural resources taxation (oil, mining, gas, coal, etc.); business credits (low-income housing, energy credits, wind energy, alternative fuels, etc.); excise taxes (transportation, telephones, tires, fuels, etc.); and estate and gift taxes.
- [7] Includes the immediate offices of the Chief Counsel and the Associate Chief Counsel, Finance and Management.

NOTE: Cases may cross fiscal years. Therefore, the workload of cases shown in this table may be related to cases initiated in prior years.

SOURCE: Chief Counsel, Associate Chief Counsel Finance and Management, Planning and Management Division.

**Table 27. Chief Counsel Workload: Tax Litigation Cases, by Type of Case, Fiscal Year 2014**

[Money amounts are in millions of dollars]

Type of case	Number or amount
<b>Total cases:</b>	
Received	34,346
Closed	33,813
Pending September 30, 2014	30,806
<b>Tax Court cases [1]:</b>	
Cases received:	
Number	31,244
Amount of tax and penalty in dispute [2]	4,248
Cases closed:	
Number	30,606
Amount of tax and penalty in dispute [2]	6,209
Amount of tax and penalty on decision [3]:	
Total	2,389
Default or dismissed	483
Settled	1,791
Tried and decided	115
Cases pending September 30, 2014:	
Number	29,216
Amount of tax and penalty in dispute [2]	23,488
<b>Tax Court cases on appeal [1]:</b>	
Number pending September 30, 2014	348
Amount of tax and penalty pending September 30, 2014 [2]	1,394
<b>Refund cases [4]:</b>	
Cases received:	
Number	215
Amount of tax and penalty in dispute [2]	1,044
Cases closed:	
Number	329
Amount of tax and penalty in dispute [2]	743
Amount of tax and penalty protected [5]:	
Total	589
District Court	284
Court of Federal Claims	305
Cases pending September 30, 2014:	
Number	901
Amount of tax and penalty in dispute [2]	8,847
<b>Refund cases on appeal [4]:</b>	
Number pending September 30, 2014	34
Amount of tax and penalty pending September 30, 2014 [2]	1,532
<b>Number of nondocketed cases [6]:</b>	
Received	2,887
Closed	2,878
Pending September 30, 2014	307

[1] Tax Court cases involve a taxpayer contesting the Internal Revenue Service's determination that the taxpayer owes additional tax. The Tax Court provides a forum for a taxpayer to request a determination of the deficiency prior to paying the tax allegedly owed.

Other cases that may be considered by the Tax Court include:

*Collection Due Process (CDP)*—cases where a taxpayer requested a hearing with an independent CDP officer in response to a notice of Federal tax lien or notice of intent to levy.

*Innocent Spouse Program*—cases in which a taxpayer who filed a joint return with a spouse or ex-spouse may apply for relief of tax, interest, and penalties if he/she meets specific requirements.

*Abatement of Interest*—cases of disputed interest on tax deficiencies or payments in which IRS error or delays may have contributed to the assessed interest.

*Tax-exempt Status*—cases where an organization disputes IRS's revocation or denial of tax-exempt status.

[2] The amount of tax and penalties in dispute excludes interest.

[3] Reflects the amount a taxpayer owes as determined by the Tax Court, excluding offsetting overpayments and interest.

[4] Refund cases involve taxpayers seeking refunds of claimed overpayments after taxes have been fully paid.

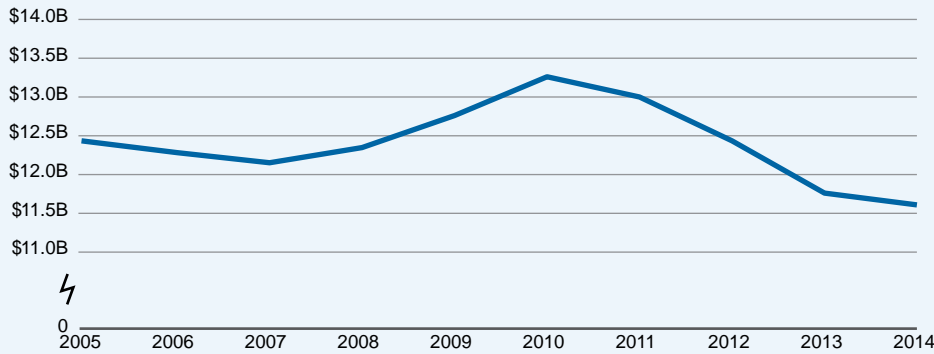
[5] Tax protected is the amount claimed by the taxpayer in a suit for a refund of previously paid taxes that is not awarded to the taxpayer in the court's judgment.

[6] Nondocketed cases are cases in which a court petition was not filed and Chief Counsel reviewed and advised on a statutory notice of deficiency.

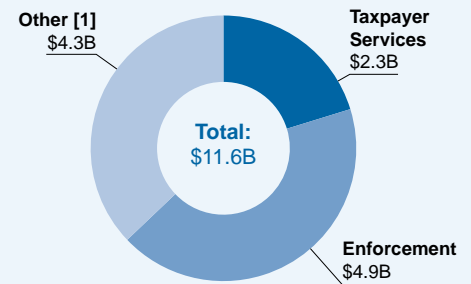
NOTE: Amounts in dispute can vary widely from year to year.

SOURCE: Chief Counsel, Associate Chief Counsel, Finance and Management, Planning and Management Division.



**Operating Costs (Constant Dollars), Fiscal Years 2005–2014**

NOTE: Inflation-adjusted amounts were calculated using the U.S. Bureau of Economic Analysis, Nondefense Gross Domestic Product Chain-type Price Index with a 2014 base year.  
SOURCE: IRS Data Book Table 29

**Costs Incurred by Budget Activity, Fiscal Year 2014**

[1] Includes operations support and business systems modernization.

SOURCE: 2014 IRS Data Book Table 28

## IRS Budget and Workforce

Section 8 of the *Data Book* provides an overview of IRS budget activities, including taxpayer services, enforcement, operations support, and business systems modernization. The section also includes information on the size and composition of the IRS workforce.

### Highlights of the Data

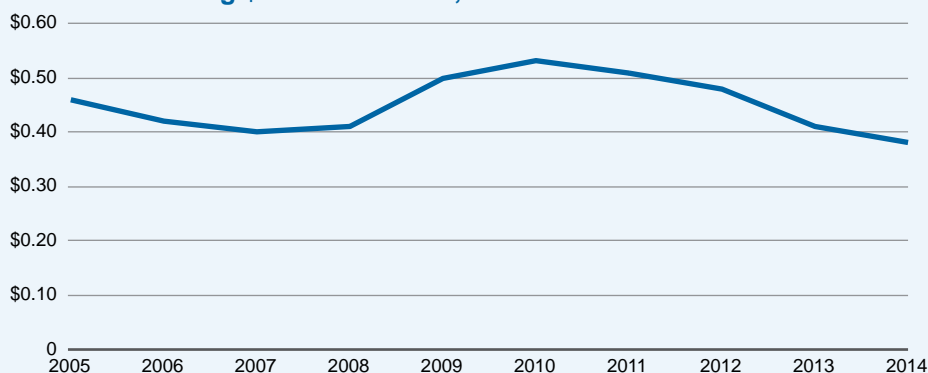
- IRS' actual expenditures for Fiscal Year (FY) 2014 were \$11.6 billion for overall operations in FY 2014, down slightly from FY 2013 (Table 28). Since 2010, IRS' expenditures in constant dollars have fallen by 12.6 percent.
- Taxpayer services funding, which includes processing for tax returns and related documents, and assistance to taxpayers filing returns and paying taxes due, accounted for \$2.3 billion (Table 28).
- Enforcement funding, which includes the examination of tax returns, collection of balances due, and administrative and judicial settlement of taxpayer appeals of examination findings, represented almost \$5.0 billion. This funding also provided

resources to strengthen enforcement aimed at reducing invalid claims and erroneous filings associated with the Earned Income Tax Credit (EITC) program (Table 28).

- Operations support provides administrative services, policy management, and IRS-wide support. This appropriation also funds staffing, equipment, and related costs used to manage, maintain, and operate critical information systems supporting tax administration. The IRS spent over \$4.0 billion in operations support in FY 2014 (Table 28).

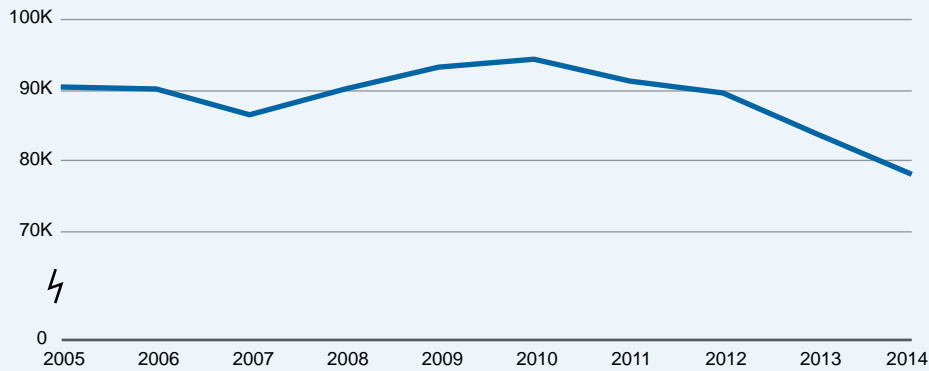
- The balance of IRS's expenditures, almost \$0.3 billion, was spent on capital asset acquisition of information technology systems (Table 28).

- The total cost of collecting \$100 decreased to \$0.38 in FY 2014, down from \$0.41 for the previous year (Table 29).

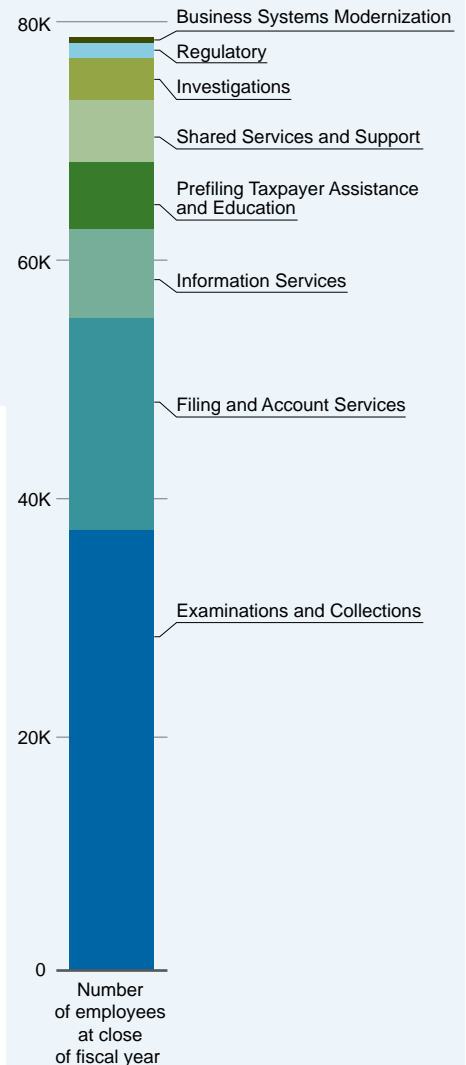
**Cost of Collecting \$100 of Revenue, Fiscal Years 2005–2014**

SOURCE: IRS Data Book Table 29

## Number of Employees at Close of Fiscal Year, Fiscal Years 2005–2014

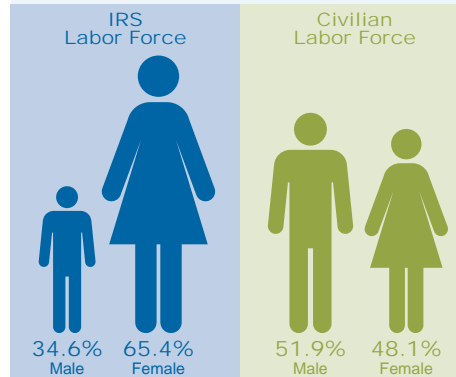


## Personnel Summary, by Budget Activity, Fiscal Year 2014



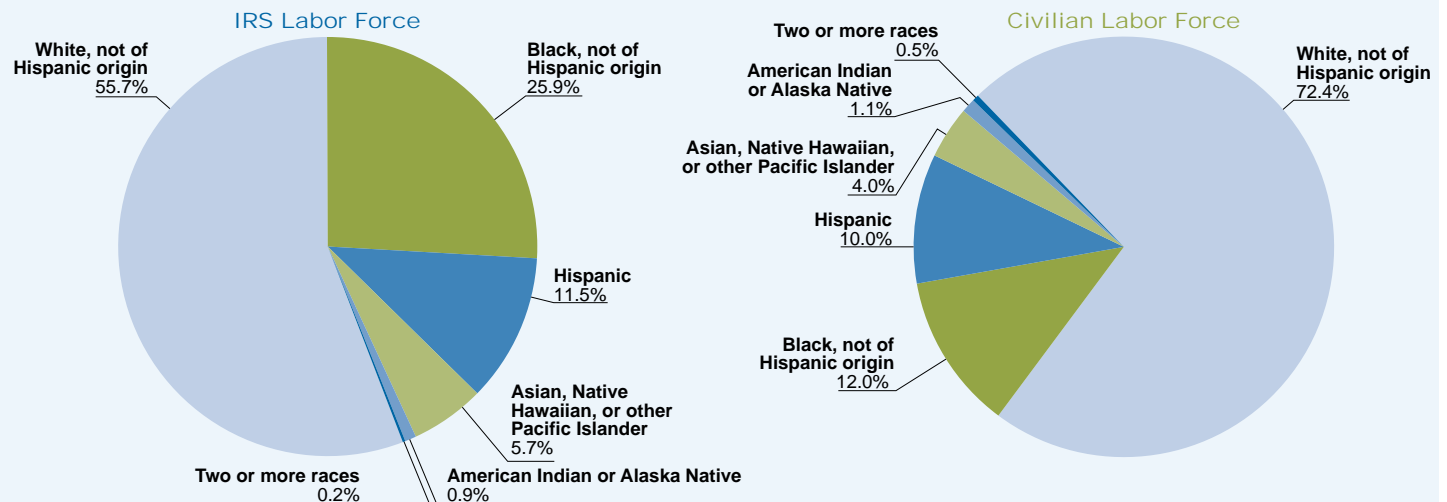
- IRS closed FY2014 with 78,121 employees, 17.2 percent less than in FY 2010, and a decrease of 6.6 percent from FY 2013 (Table 30).
- Slightly more than half of these employees were dedicated to enforcement, followed by taxpayer services, which represented 34.6 percent (Table 30).
- Nonwhite employees made up 44.2 percent of the IRS workforce, as compared to a 27.6-percent share of the overall civilian labor force (Table 31).
- Women represented 65.4 percent of IRS personnel, compared to 48.1 percent of the civilian labor force (Table 31).

## Internal Revenue Service Labor Force, Compared to National Totals for Civilian Labor Forces, by Gender, Fiscal Year 2014



SOURCE: 2014 IRS Data Book Table 31

## Internal Revenue Service Labor Force, Compared to National Totals for the Civilian Labor Force, by Race/Ethnicity, Fiscal Year 2014



SOURCE: 2014 IRS Data Book Table 31

**Table 28. Costs Incurred by Budget Activity, Fiscal Years 2013 and 2014**

[Money amounts are in thousands of dollars]

Budget activity	Total [1]		Personnel compensation and benefits [2]		Other	
	2013	2014	2013	2014	2013	2014
	(1)	(2)	(3)	(4)	(5)	(6)
<b>Total obligations against appropriated funds</b>	<b>11,597,560</b>	<b>11,591,007</b>	<b>8,549,759</b>	<b>8,554,261</b>	<b>3,047,801</b>	<b>3,036,746</b>
<b>Taxpayer Services [3]:</b>						
<b>Total</b>	<b>2,330,161</b>	<b>2,345,229</b>	<b>2,173,599</b>	<b>2,173,414</b>	<b>156,562</b>	<b>171,815</b>
Profiling Taxpayer Assistance and Education	603,594	628,940	551,184	563,633	52,410	65,307
Filing and Account Services	1,726,567	1,716,289	1,622,415	1,609,781	104,152	106,508
<b>Enforcement [4]:</b>						
<b>Total</b>	<b>4,960,528</b>	<b>4,944,885</b>	<b>4,737,220</b>	<b>4,683,916</b>	<b>223,308</b>	<b>260,969</b>
Investigations	595,568	604,070	561,922	563,126	33,646	40,944
Examinations and Collections	4,200,534	4,169,169	4,015,682	3,952,501	184,852	216,668
Regulatory	164,426	171,646	159,616	168,289	4,810	3,357
<b>Operations Support [5]:</b>						
<b>Total</b>	<b>4,048,812</b>	<b>4,054,808</b>	<b>1,571,076</b>	<b>1,625,556</b>	<b>2,477,736</b>	<b>2,429,252</b>
Infrastructure	895,702	874,938	925	588	894,777	874,350
Shared Services and Support	1,134,735	1,137,127	701,432	719,377	433,303	417,750
Information Services	2,018,375	2,042,743	868,719	905,591	1,149,656	1,137,152
<b>Business Systems Modernization [6]</b>	<b>258,059</b>	<b>246,085</b>	<b>67,864</b>	<b>71,375</b>	<b>190,195</b>	<b>174,710</b>

[1] Excludes costs reimbursed by other Federal agencies and private entities for services performed for these external parties.

[2] Includes salaries, terminal leave payments, availability pay, pay differential, overtime and holiday pay, cash awards, incentive awards, obligation for uncashed payroll checks, expert and witness fees, rewards to informants, employer's share of personnel benefits costs, reimbursements for professional liability insurance, recruitment bonuses, commuting subsidies, retention bonuses, student loan repayments, relocation bonuses, gainsharing awards, cost of living allowances, overseas allowance grants, domestic and foreign income tax reimbursement allowances, worker's compensation benefits, moving expenses/relocation allowances, severance pay, and unemployment compensation payments.

[3] The Taxpayer Services appropriation funds profiling assistance and education, filing and account services, and taxpayer advocacy services.

[4] The Enforcement appropriation funds activities to determine and collect owed taxes, to provide legal and litigation support, to conduct criminal investigations, to enforce criminal statutes related to violations of internal revenue laws, and to purchase (for police-type use) and hire passenger motor vehicles.

[5] The Operations Support appropriation funds activities to support taxpayer services and enforcement programs, including rent payments; facilities services; printing; postage; physical security; headquarters and other IRS-wide administration activities; research and statistics of income; telecommunications; information technology development, enhancement, operations, maintenance, and security; and the hire of passenger motor vehicles.

[6] The Business Systems Modernization appropriation funds the capital asset acquisition of information technology systems.

NOTE: Data represent dollars obligated, expended, and disbursed against direct appropriated funds.

SOURCE: Chief Financial Officer, Corporate Budget.

**Table 29. Collections, Costs, Personnel, and U.S. Population, Fiscal Years 1980–2014**

Fiscal year	Gross collections (thousands of dollars) [1]	Operating costs (thousands of dollars) [2]	Cost of collecting \$100 (dollars)	U.S. population (thousands) [3]	Average tax per capita (dollars) [4]	Average positions realized [5]
	(1)	(2)	(3)	(4)	(5)	(6)
1980	519,375,273	2,280,839	0.44	228,231	2,276	87,464
1981	606,799,103	2,465,469	0.41	230,613	2,631	86,156
1982	632,240,506	2,626,338	0.42	232,962	2,714	82,857
1983	627,246,793	2,968,526	0.47	235,225	2,667	83,603
1984	680,475,229	3,279,067	0.48	237,454	2,866	87,635
1985	742,871,541	3,600,953	0.48	239,714	3,099	92,259
1986	782,251,812	3,841,983	0.49	241,995	3,233	95,880
1987	886,290,590	4,365,816	0.49	244,344	3,627	102,189
1988	935,106,594	5,035,543	0.54	246,329	3,796	114,875
1989	1,013,322,133	5,198,546	0.51	249,412	4,063	114,758
1990	1,056,365,652	5,440,418	0.52	251,057	4,208	111,962
1991	1,086,851,401	6,097,627	0.56	254,435	4,272	114,628
1992	1,120,799,558	6,536,336	0.58	257,861	4,347	116,673
1993	1,176,685,625	7,077,985	0.60	261,163	4,506	113,460
1994	1,276,466,776	7,245,344	0.57	264,301	4,830	110,748
1995	1,375,731,836	7,389,692	0.54	267,456	5,144	112,024
1996	1,486,546,674	7,240,221	0.49	270,581	5,494	106,642
1997	1,623,272,071	7,163,541	0.44	273,852	5,928	101,703
1998	1,769,408,739	7,564,661	0.43	277,003	6,388	98,037
1999	1,904,151,888	8,269,387	0.43	280,203	6,796	98,730
2000	2,096,916,925	8,258,423	0.39	283,201	7,404	97,074
2001	2,128,831,182	8,771,510	0.41	286,098	7,441	97,707
2002	2,016,627,269	9,063,471	0.45	288,870	6,981	99,181
2003	1,952,929,045	9,401,407	0.48	291,574	6,698	98,819
2004	2,018,502,103	9,756,344	0.48	294,230	6,860	97,597
2005	2,268,895,122	10,397,837	0.46	296,972	7,640	94,282
2006	2,518,680,230	10,605,845	0.42	299,835	8,400	91,717
2007	2,691,537,557	10,764,736	0.40	302,807	8,889	92,017
2008	2,745,035,410	11,307,223	0.41	305,554	8,984	90,647
2009	2,345,337,177	11,708,604	0.50	308,189	7,610	92,577
2010	2,345,055,978	12,353,344	0.53	[r] 310,451	[r] 7,554	94,711
2011	2,414,952,112	12,358,877	0.51	[r] 312,810	[r] 7,720	94,709
2012	2,524,320,134	12,059,409	0.48	[r] 315,129	[r] 8,010	90,280
2013	2,855,059,420	11,597,560	0.41	[r] 317,470	[r] 8,993	86,974
2014	3,064,301,358	11,591,007	0.38	[p] 319,804	[p] 9,582	84,133

[r]—Revised.

[p]—Preliminary.

[1] Gross collections are collections before refunds are issued. See Table 1 for the difference between gross collections and net collections. Includes gross collections for individual income tax, business income taxes, estate and trust income tax, employment taxes, estate tax, gift tax, and excise taxes. See Table 6 for gross collections data by type of tax.

Beginning with Fiscal Year 2009, excludes refunds credited to taxpayer accounts for tax liability in a subsequent year. Also excludes alcohol and tobacco excise taxes starting with 1988 and taxes on firearms starting with the second quarter of Fiscal Year 1991. Responsibility for these excise taxes was transferred from the IRS to the Alcohol and Tobacco Tax and Trade Bureau and to the U.S. Customs and Border Protection, respectively.

[2] Operating costs exclude costs reimbursed by other Federal agencies and private entities for services performed for these external parties. Beginning with Fiscal Year 2005, includes costs for Business Systems Modernization and the Health Insurance Tax Credit Administration.

[3] U.S. population is based on resident population plus armed forces overseas as of October 1 of each year. This information is provided by the U.S. Department of Commerce, Bureau of the Census.

[4] Average tax per capita is based on gross collections and an estimate of U.S. population, provided by the Census Bureau.

[5] Average positions realized represents the average number of full-time equivalent (FTE) positions actually used to conduct IRS operations. Excludes positions funded by reimbursements from other Federal agencies and private entities for services performed for these external parties. In contrast, IRS labor force counts in Table 31 (Internal Revenue Service Labor Force, Compared to National Totals for Federal and Civilian Labor Forces, by Gender, Race/Ethnicity, and Disability) represent the total number of persons, including full-time, part-time, and seasonal workers, employed during the fiscal year.

NOTE: All amounts are in current dollars.

SOURCE: Chief Financial Officer, Corporate Budget and Financial Management.

**Table 30. Personnel Summary, by Employment Status, Budget Activity, and Selected Personnel Type, Fiscal Years 2013 and 2014**

Employment status, budget activity, and selected personnel type	Average positions realized [1]		Number of employees at end of fiscal year	
	2013	2014	2013	2014
	(1)	(2)	(3)	(4)
<b>Internal Revenue Service, total</b>	<b>86,974</b>	<b>84,133</b>	<b>83,613</b>	<b>78,121</b>
<b>Employment status:</b>				
Full-time permanent	84,985	82,406	81,296	76,126
Other	1,989	1,727	2,317	1,995
<b>Budget activity:</b>				
Examinations and Collections	39,454	37,608	39,825	37,266
Filing and Account Services	24,881	23,972	20,780	17,925
Information Services	6,708	6,711	7,230	7,258
Prefiling Taxpayer Assistance and Education	5,505	5,449	5,623	5,594
Shared Services and Support	5,061	5,097	5,111	5,195
Investigations	3,691	3,581	3,734	3,608
Regulatory	1,223	1,239	1,232	1,201
Business Systems Modernization	451	476	78	74
<b>Selected personnel type:</b>				
Revenue Agents	12,270	11,659	12,212	11,422
Seasonal Employees	11,108	10,030	6,696	4,100
Customer Service Representatives	9,131	8,837	9,632	8,820
Tax Examiners	8,724	8,416	8,894	8,496
Revenue Officers	4,748	4,439	4,681	4,353
Special Agents	2,509	2,437	2,539	2,454
Tax Technicians	1,515	1,418	1,496	1,357
Attorneys	1,497	1,473	1,523	1,454
Appeals Officers	811	761	800	758

[1] Represents the average number of full-time equivalent (FTE) positions actually used to conduct IRS operations. Excludes positions funded by reimbursements from other Federal agencies and private entities for services performed for these external parties. In contrast, IRS labor force counts in Table 31 (Internal Revenue Service Labor Force, Compared to National Totals for Federal and Civilian Labor Forces, by Gender, Race/Ethnicity, and Disability) represent the total number of persons, including full-time, part-time, and seasonal workers, employed during the fiscal year.

SOURCE: Chief Financial Officer, Corporate Budget.

**Table 31. Internal Revenue Service Labor Force, Compared to National Totals for Federal and Civilian Labor Forces, by Gender, Race/Ethnicity, and Disability, Fiscal Year 2014**

Gender, race/ethnicity, and disability	Internal Revenue Service, number of employees [1]	Internal Revenue Service labor force [1]	Federal civilian labor force [2]	Civilian labor force [3]
		Percentage of total		
		(1)	(2)	(3)
<b>Total</b>	<b>91,018</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
<b>Gender:</b>				
Male	31,494	34.6	56.7	51.9
Female	59,524	65.4	43.3	48.1
<b>Race/ethnicity and gender:</b>				
White, not of Hispanic origin	50,742	55.7	65.1	72.4
Male	20,851	22.9	39.8	38.3
Female	29,891	32.8	25.3	34.0
Black, not of Hispanic origin	23,616	25.9	17.6	12.0
Male	4,999	5.5	7.3	5.5
Female	18,617	20.5	10.3	6.5
Hispanic [4]	10,423	11.5	8.2	10.0
Male	3,129	3.4	4.8	5.2
Female	7,294	8.0	3.4	4.8
Asian, Native Hawaiian, or other Pacific Islander	5,221	5.7	6.1	4.0
Male	2,198	2.4	3.3	2.0
Female	3,023	3.3	2.8	2.0
American Indian or Alaska Native	792	0.9	1.8	1.1
Male	239	0.3	0.8	0.6
Female	553	0.6	1.0	0.5
Two or more races [5]	224	0.2	1.2	0.5
Male	78	0.1	0.7	0.3
Female	146	0.2	0.6	0.3
<b>Disability:</b>				
Person with a disability	8,843	9.7	13.1	n.a.
Person with a targeted disability [6]	1,713	1.9	1.1	n.a.

n.a.—Not available.

[1] Includes total full-time, part-time, and seasonal personnel employed by the Internal Revenue Service, including IRS Chief Counsel, during Fiscal Year 2014, i.e., October 1, 2013, through September 30, 2014.

[2] Reflects the Federal civilian labor force as of September 30, 2014, as provided by the U.S. Office of Personnel Management. The Internal Revenue Service labor force statistics are included in these totals.

[3] Data from U.S. Department of Commerce, Bureau of the Census (2006–2010 American Community Survey statistics).

[4] Hispanic or Latino persons of any race are included in the Hispanic category.

[5] Data for IRS and other Federal workers of two or more races may be incomplete, as data for this category have been routinely collected only for employees hired after January 1, 2006. The data also reflect information for employees in this category who were hired prior to January 1, 2006, who subsequently updated their official information.

[6] The term "targeted disability" was originally enacted by the Equal Employment Opportunity Commission (EEOC) in 1979 and refers to certain disabilities that have been identified for emphasis in Federal affirmative employment planning. The targeted disabilities include deafness, blindness, missing extremities, partial paralysis, complete paralysis, convulsive disorders, mental retardation, mental illness, and distortion of limb and/or spine.

NOTE: Percentages may not add to totals because of rounding.

SOURCE: Equity, Diversity and Inclusion.

## Affordable Care Act of 2010:

### Number of Returns, Tax Collections, Tax Credits, Grants, and Fees for Selected Non-Exchange Provisions for Returns Filed in Calendar Years 2010–2014

The Affordable Care Act was enacted in March 2010. While certain Non-Exchange ACA tax provisions have been in effect since 2010, other tax provisions became effective after Calendar Year 2010, and one temporary provision expired. Non-Exchange Provisions are Affordable Care Act tax/revenue items not related to taxpayers receiving Marketplace or Health Care Exchange insurance or the Premium Tax Credit.

#### Non-Exchange Provisions became effective as follows:

Effective beginning with Calendar Year 2010:

- Indoor Tanning Services Excise Tax
- Qualified Therapeutic Discovery Tax Credit and Grant

Effective beginning with Calendar Year 2011:

- Small Business Health Care Tax Credit
- Branded Prescription Pharmaceutical Manufacturers and Importers Annual Fee

Effective beginning with Calendar Year 2013:

- Medical Device Excise Tax
- Patient-Centered Outcomes Research Institute Fee
- Health Insurance Providers Annual Fee
- Net Investment Income Tax
- Additional Medicare Tax

Since some Non-Exchange Provisions were not effective in every year included in Table 32, data items will be represented by “N/A” for the appropriate years.

Starting in 2014, individuals and families can take the Premium Tax Credit to help them afford health insurance coverage purchased through the Marketplaces, which will operate in every State and the District of Columbia. The Premium Tax Credit is refundable so taxpayers who have little or no income tax liability can still benefit. The credit can also be paid in advance to a taxpayer’s insurance company to help cover the cost of health insurance premiums.

Taxpayers who claim the Premium Tax Credit will do so on their Tax Year 2014 tax returns that will be filed and processed in Calendar Year 2015.

**Table 32. Affordable Care Act of 2010: Number of Returns, Tax Collections, Tax Credits, Grants, and Fees for Selected Non-Exchange Provisions for Returns Filed in Calendar Years 2010–2014 [1]**

[Money amounts are in thousands of dollars]

Taxes, tax credits, grants, and fees	Calendar Year									
	2010		2011		2012		2013		2014	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
<b>Taxes:</b>										
Additional Medicare Tax—Affordable Care Act Provision 9015 [2]	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	2,830,000	6,523,000
Indoor Tanning Services Excise Tax—Affordable Care Act Provision 9017 [3]	9,000	1,500	47,000	86,300	49,000	91,500	46,000	91,700	44,000	84,000
Medical Device Excise Tax—Affordable Care Act Provision 1405 [3]	N/A	N/A	N/A	N/A	N/A	N/A	9,000	1,400,000	14,000	1,900,000
Net Investment Income Tax—Affordable Care Act Provision 1402 [4]	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	3,106,000	16,513,000
<b>Tax credits and grants:</b>										
Small Business Health Care Tax Credit—Affordable Care Act Provision 1421 [5]	N/A	N/A	175,000	467,900	187,000	536,400	182,000	526,400	171,000	502,900
Qualified Therapeutic Discovery Tax Credit and Grant—Affordable Care Act Provision 9023 [6]	4,600	1,000,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Fees:</b>										
Branded Prescription Pharmaceutical Manufacturers and Importers Annual Fee—Affordable Care Act Provision 9008 [7]	N/A	N/A	144	2,500,000	160	2,800,000	164	2,800,000	157	3,000,000
Health Insurance Providers Annual Fee—Affordable Care Act Provision 9010 [8]	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	470	8,000,000
Patient-Centered Outcomes Research Institute Fee—Affordable Care Act Provision 6301 [9]	N/A	N/A	N/A	N/A	N/A	N/A	75,000	115,400	76,000	307,000

N/A—Not applicable.

- [1] Non-Exchange Provisions are Affordable Care Act tax/revenue items not related to taxpayers receiving marketplace insurance or the Premium Tax Credit.
- [2] The Additional Medicare Tax applies to the amount of wages, self-employment income, and railroad retirement compensation that is more than a threshold amount. Reflects the number of Forms 8959 (additional Medicare tax) that reported an additional Medicare tax, but excludes 547,000 Forms 8959 that did not report an additional Medicare tax.
- [3] For Calendar Year 2014, data for excise taxes may be incomplete because they reflect Forms 720 (quarterly excise tax return) processed by the IRS through December 31, 2014; additional Calendar Year 2014 returns could have been processed through February 2015. Reported amounts for all excise taxes are certified calendar year collections for processed forms and may differ from payments at the time of filing.
- [4] Net Investment Income Tax generally includes but is not limited to: interest, dividends, capital gains, rental and royalty income, and nonqualified annuities. Reflects the number of Forms 8960 (net investment income tax—individuals, estates, and trusts) that reported the Net Investment Income Tax, but excludes 58,000 Forms 8960 that did not report the Net Investment Income tax.
- [5] The Small Business Health Care Tax Credit is available to small employers who pay for at least half of their employees' health insurance premiums. Data for Calendar Year 2014 are incomplete. Reflects Forms 8941 (credit for small employer health insurance premiums) processed through December 31, 2014, but additional Calendar Year 2014 returns could have been processed through February 2015.
- [6] Under the Qualified Therapeutic Discovery Program, tax credits and grants were available for projects that showed significant potential to produce new and cost-saving therapies, support jobs, and increase U.S. competitiveness. A total of one billion dollars was available for credits and grants with a \$5-million limit for each eligible applicant. In Calendar Year 2010, IRS processed a total of 5,663 "returns" (i.e., applications) and 4,606 were accepted.
- [7] The Branded Prescription Pharmaceutical Manufacturers and Importers fee, reported on Forms 8947 (report of branded prescription drug information), is imposed on each covered entity with aggregated branded prescription drug sales of over \$5 million to specified government programs or pursuant to coverage under such programs.
- [8] The annual fee on health insurance providers is a fee on covered entities engaged in the business of providing health insurance for United States health risks. Reflects the number of final fee letters sent to health insurance providers and the amount assessed.
- [9] For Calendar Year 2014, data for the Patient-Centered Outcomes Research Institute Fee may be incomplete because they reflect Forms 720 (quarterly excise tax return) processed by the IRS through December 31, 2014; additional Calendar Year 2014 returns could have been processed through February 2015.

**NOTES:**

Data are for returns filed in the applicable Calendar Year and do not reflect adjustments due to examinations or amended returns.

Money amounts are rounded to the nearest hundred thousand dollars; numbers of returns are rounded to the nearest thousand, except for Qualified Therapeutic Discovery Tax Credit and Grant, Branded Prescription Pharmaceutical Manufacturers and Importers Annual Fee, and Health Insurance Providers Annual Fee.

SOURCES: Research, Analysis, and Statistics; Chief Financial Officer; and Wage and Investment.

## Data Sources, by Subject Area and Table Number

Subject Area	Table Number	Data Sources (by IRS Branch, Division, or Office)
<b>Returns Filed, Taxes Collected, and Refunds Issued</b>	1	Chief Financial Officer, Financial Management
	2	Research, Analysis, and Statistics, Office of Research
	3	Research, Analysis, and Statistics, Office of Research
	4	Research, Analysis, and Statistics, Office of Research
	5	Chief Financial Officer, Financial Management
	6	Chief Financial Officer, Financial Management
	7	Chief Financial Officer, Financial Management
	8	Chief Financial Officer, Financial Management
<b>Enforcement: Examinations</b>	9a	Small Business/Self-Employed, Examination, Performance Planning and Analysis Examination, Field Exam Workload Planning and Analysis
	9b	Research, Analysis, and Statistics, Office of Research
	10	Small Business/Self-Employed, Examination, Performance Planning and Analysis Examination, Field Exam Workload Planning and Analysis
	11	Small Business/Self-Employed, Examination, Performance Planning and Analysis Examination, Field Exam Workload Planning and Analysis
	12	Small Business/Self-Employed, Examination, Performance Planning and Analysis Examination, Field Exam Workload Planning and Analysis
	13	Tax Exempt and Government Entities
<b>Enforcement: Information Reporting and Verification</b>	14	Wage and Investment, Compliance, Reporting Compliance, Policy, Monitoring, Analysis and Quality; Wage and Investment, Compliance, Reporting Compliance, Automated Underreporter Program; Small Business/Self-Employed, Enterprise Collection Strategy, Collection Analytics, Automation, Inventory Selection and Delivery; Small Business/Self-Employed, Campus Compliance Services, Campus Reporting Compliance, Document Matching
	15	Wage and Investment, Customer Account Services, Submission Processing, Paper Processing, Individual Master File
<b>Enforcement: Collections, Penalties, and Criminal Investigation</b>	16	Small Business/Self-Employed, Collection Performance Planning and Analysis, Reports, Collection Data Assurance
	17	Chief Financial Officer, Financial Management
	18	Criminal Investigation, Communications and Education Division
<b>Taxpayer Assistance</b>	19	Wage and Investment, Strategy and Finance, Program Management Office; Online Services, Online Engagement, Operations and Media; Small Business/Self-Employed, Communications, Outreach, Systems and Solutions; Communications and Liaison, National Public Liaison
	20	Taxpayer Advocate Service, Business Assessment
	21	Appeals, Strategic Planning, Measures Analysis
<b>Tax-Exempt Activities</b>	22	Tax Exempt and Government Entities
	23	Tax Exempt and Government Entities, Employee Plans
	24	Tax Exempt and Government Entities, Exempt Organizations
	25	Tax Exempt and Government Entities, Exempt Organizations
<b>Chief Counsel</b>	26	Chief Counsel, Associate Chief Counsel, Finance and Management, Planning and Management Division
	27	Chief Counsel, Associate Chief Counsel, Finance and Management, Planning and Management Division
<b>IRS Budget and Workforce</b>	28	Chief Financial Officer, Corporate Budget
	29	Chief Financial Officer, Corporate Budget and Financial Management
	30	Chief Financial Officer, Corporate Budget
	31	Equity, Diversity and Inclusion
<b>Affordable Care Act of 2010</b>	32	Research, Analysis, and Statistics; Chief Financial Officer; and Wage and Investment

# Principal Officers of the Internal Revenue Service

as of September 30, 2014

## Commissioner

**John A. Koskinen**

## Deputy Commissioner for Services and Enforcement

John M. Dalrymple

## Deputy Commissioner for Operations Support

Margaret Ann (Peggy) Sherry

## Chief of Staff

Crystal Philcox (Acting)

## Deputy Chief of Staff

Crystal Philcox

## Senior Advisor to the Commissioner

David P. Vandivier

## Chief Risk Officer and Senior Advisor to the Commissioner

Thomas A. Brandt

## Senior Advisor to the Commissioner (Office of Compliance Analytics)

Dean R. Silverman

## Senior Director for Operations, Affordable Care Act

Nicole M. Elliott

## Director, Program Integration Office

John C. Duder

## Chief, Appeals

Kirsten Wielobob

### Deputy Chief, Appeals

Nikole Flax (Acting)

### Director, Specialty Operations

Jennifer L. Vozne

### Director, Field Operations West

DeLon Harris

### Director, Campus Operations

Anita M. Hill

### Director, Field Operations East

Scott Reisher

### Director, Policy, Quality and Case Support

John V. Cardone

## Chief, Communications and Liaison

Terry L. Lemons

### Director, Office of Legislative Affairs

Leonard Oursler

### Director, Office of Communications

Terry L. Lemons (Acting)

### Director, Office of National Public Liaison

Candice V. Cromling

## National Taxpayer Advocate

Nina E. Olson

### Deputy National Taxpayer Advocate

Rena C. Girinakis

### Executive Director, Systemic Advocacy

Kim S. Stewart

### Executive Director, Case Advocacy East

Bonnie S. Fuentes (Acting)

### Executive Director Case Advocacy West

Rhonda K. Kirby (Acting)

## Commissioner, Small Business/Self-Employed

Karen M. Schiller

### Deputy Commissioner, Small Business/Self-Employed

Mary Beth Murphy

### Director, Collection

Scott B. Prentky

### Director, Examination

Shenita L. Hicks

### Director, Operation Support

Bobby L. Hunt

## Executive Director, Equity, Diversity and Inclusion

Monica H. Davy

### Deputy Executive Director, Equity, Diversity and Inclusion

Kelli Key (Acting)

## Director, Office of Research, Analysis, and Statistics

Rosemary D. Marcuss

### Deputy Director, Office of Research, Analysis, and Statistics

Alain A. Dubois

### Director, Data Management Office

Peter Rose

### Director, Office of Program

Evaluation and Risk Analysis

Tommy A. Smith

### Director, Office of Research

Janice M. Hedemann

### Director, Servicewide Policy, Directives, and Electronic Research

Kathryn A. Greene

### Director, Statistics of Income

Barry W. Johnson (Acting)

## Commissioner, Large Business and International

Heather C. Maloy

### Deputy Commissioner (Domestic)

Sergio E. Arellano (Acting)

### Deputy Commissioner (International)

Douglas O'Donnell (Acting)

### U.S. Competent Authority

Douglas O'Donnell (Acting)

### Assistant Deputy Commissioner (International)

J. David Varley (Acting)

### Director, Financial Services Industry

Rosemary J. Sereti

### Director, Retailers, Food, Transportation and Healthcare Industry

Lori L. Nichols (Acting)

### Director, Communications, Technology, and Media Industry

Cheryl P. Claybough

### Director, Heavy Manufacturing and Pharmaceutical Industry

Rosemary J. Sereti (Acting)

### Director, Natural Resources and Construction Industry

Kathy J. Robbins

### Director, Global High Wealth Industry

Cheryl P. Claybough (Acting)

### Director, International Individual Compliance

David W. Horton

### Director, International Business Compliance

Sharon R. Porter (Acting)

### Director, Transfer Pricing Operations

Kenneth W. Wood (Acting)

### Director, Pre-Filing and Technical Guidance

Tina D. Meaux (Acting)

### Director, Shared Support

Susan L. Latham

# Principal Officers of the Internal Revenue Service

as of September 30, 2014

## Commissioner, Wage and Investment

Debra S. Holland

### Deputy Commissioner

David P. Alito

### Director, Customer Account Services

Ivy S. McChesney

### Director, CARE (Customer Assistance, Relationships, and Education)

Julie Garcia

### Director, Compliance

Scott E. Irick (Acting)

### Director, Return Integrity and Correspondence Services

Jodi L. Patterson

## Commissioner, Tax Exempt and Government Entities

Sunita B. Lough

### Deputy Commissioner, Tax Exempt and Government Entities

Donna C. Hansberry

### Director, Employee Plans

Robert S. Choi

### Director, Exempt Organizations

Tamera L. Ripperda

### Assistant Deputy Commissioner for Government Entities/Shared Services

Nanette M. Downing

## Director, Services and Enforcement Affordable Care Act

Carolyn A. Tavenner

### Deputy Director, Services and Enforcement Affordable Care Act

Johnny Witt

## Chief, Criminal Investigation

Richard E. Weber

### Deputy Chief, Criminal Investigation

J. Donald Fort

## Director, Office of Professional Responsibility

Karen L. Hawkins

### Deputy Director, Office of Professional Responsibility

Lee D. Martin

## Director, Office of Online Services

Rajive K. Mathur

## Director, Return Preparer Office

Carol A. Campbell

### Deputy Director, Return Preparer Office

Preston B. Benoit

## Chief Financial Officer

Robin Canady

### Deputy Chief Financial Officer

Gregory E. Kane

## Chief, Agency-Wide Shared Services

John (Stuart) Burns

### Director, Procurement

Angelika S. Sweitzer (Acting)

### Director, Real Estate and Facilities Management

Kevin McIver

## Chief Technology Officer

Terence V. Milholland

### Deputy Chief Information Officer for Operations

S. Gina Garza

### Deputy Chief Information Officer for Strategy/Modernization

Stephen L. Manning

### Associate Chief Information Officer, Applications Development

Gretchen McCoy

### Associate Chief Information Officer, Enterprise IT Program Management Office

Robert Leahy (Acting)

### Associate Chief Information Officer, Enterprise Operations

Karen Freeman

### Associate Chief Information Officer, User and Network Services

Anne Shepherd

### Associate Chief Information Officer, Enterprise Services

Daniel B. Chaddock

### Associate Chief Information Officer, Cybersecurity

Sharon James

### Associate Chief Information Officer, Strategy and Planning

Carl T. Froehlich

### Associate Chief Information Officer, Affordable Care Act Program Management Office

Marla L. Somerville

### Director, Management Services

E. Faith Bell

## Chief Human Capital Officer

Daniel T. Riordan

### Deputy Chief Human Capital Officer

Kathleen Walters

## Director, Privacy, Governmental Liaison, and Disclosure

Mary J. Howard

## Director, Whistleblower Office

Stephen A. Whitlock

# Principal Officers of the Internal Revenue Service

as of September 30, 2014

## Office of Chief Counsel

### Chief Counsel

William J. Wilkins

### Deputy Chief Counsel (Operations)

Christopher B. Sterner

### Deputy Chief Counsel (Technical)

Erik H. Corwin

### Counselor to the Commissioner & Chief Counsel

Joseph A. Rillotta

### Health Care Counsel

W. Thomas Reeder

### Special Counsel

(National Taxpayer Advocate Service)

Janice R. Feldman (Acting)

### Division Counsel/Associate Chief Counsel (Criminal Tax)

Edward F. Cronin

### Division Counsel

(Large Business and International)

Linda M. Kroening

### Division Counsel

(Small Business/Self-Employed)

Thomas R. Thomas

### Division Counsel/Associate Chief Counsel (Tax Exempt and Government Entities)

Victoria A. Judson

### Division Counsel

(Wage and Investment)

Joanne B. Minsky

### Associate Chief Counsel (Corporate)

William D. Alexander

### Associate Chief Counsel (Finance and Management)

Dustin M. Starbuck

### Associate Chief Counsel (Financial Institutions and Products)

Helen M. Hubbard

### Associate Chief Counsel (General Legal Services)

Mark S. Kaizen

### Associate Chief Counsel (Income Tax and Accounting)

Andrew J. Keyso, Jr.

### Associate Chief Counsel (International)

Steven A. Musher

### Associate Chief Counsel (Passthroughs and Special Industries)

Curtis G. Wilson

### Associate Chief Counsel (Procedure and Administration)

Drita Tonuzi

# Commissioners of Internal Revenue

## Office of Commissioner of Internal Revenue Created by Act of Congress, July 1, 1862

<b>George S. Boutwell</b> Massachusetts Jul. 17, 1862 to Mar. 4, 1863	<b>Joseph S. Miller</b> West Virginia Apr. 19, 1893 to Nov. 26, 1896	<b>David Burnet</b> Ohio Aug. 20, 1930 to May 15, 1933	<b>Mortimer M. Caplin</b> Virginia Feb. 7, 1961 to Jul. 10, 1964	<b>Michael J. Murphy</b> (Acting) Wisconsin Mar. 5, 1989 to Jul. 4, 1989
<b>Joseph J. Lewis</b> (Acting) Pennsylvania Mar. 5, 1863 to Mar. 17, 1863	<b>W. St. John Forman</b> Illinois Nov. 27, 1896 to Dec. 31, 1897	<b>Pressly R. Baldridge</b> (Acting) Iowa May 16, 1933 to Jun. 5, 1933	<b>Bertrand M. Harding</b> (Acting) Texas Jul. 11, 1964 to Jan. 24, 1965	<b>Fred Goldberg, Jr.</b> Missouri Jul. 5, 1989 to Feb. 2, 1992
<b>Joseph J. Lewis</b> Pennsylvania Mar. 18, 1863 to June 30, 1865	<b>Nathan B. Scott</b> West Virginia Jan. 1, 1898 to Feb. 28, 1899	<b>Guy T. Helvering</b> Kansas Jun. 6, 1933 to Oct. 8, 1943	<b>Sheldon S. Cohen</b> Maryland Jan. 25, 1965 to Jan. 20, 1969	<b>Shirley D. Peterson</b> Colorado Feb. 3, 1992 to Jan. 20, 1993
<b>William Orton</b> New York Jul. 1, 1865 to Oct. 31, 1865	<b>George W. Wilson</b> Ohio Mar. 1, 1899 to Nov. 27, 1900	<b>Robert E. Hannegan</b> Missouri Oct. 9, 1943 to Jan. 22, 1944	<b>William H. Smith</b> (Acting) Virginia Jan. 21, 1969 to Mar. 31, 1969	<b>Michael P. Dolan</b> (Acting) Iowa Jan. 21, 1993 to May 26, 1993
<b>Edward A. Rollins</b> New Hampshire Nov. 1, 1865 to Mar. 10, 1869	<b>Robert Williams, Jr.</b> (Acting) Ohio Nov. 28, 1900 to Dec. 19, 1900	<b>Harold N. Graves</b> (Acting) Illinois Jan. 23, 1944 to Feb. 29, 1944	<b>Randolph W. Thrower</b> Georgia Apr. 1, 1969 to Jun. 22, 1971	<b>Margaret Milner Richardson</b> Texas May 27, 1993 to May 31, 1997
<b>Columbus Delano</b> Ohio Mar. 11, 1869 to Oct. 31, 1870	<b>John W. Yerkes</b> Kentucky Dec. 20, 1900 to Apr. 30, 1907	<b>Joseph D. Nunan, Jr.</b> New York Mar. 1, 1944 to June 30, 1947	<b>Harold T. Swartz</b> (Acting) Indiana Jun. 23, 1971 to Aug. 5, 1971	<b>Michael P. Dolan</b> (Acting) Iowa Jun. 1, 1997 to Nov. 12, 1997
<b>John W. Douglass</b> (Acting) Pennsylvania Nov. 1, 1870 to Jan. 2, 1871	<b>Henry C. Rogers</b> (Acting) Pennsylvania May 1, 1907 to Jun. 4, 1907	<b>George J. Schoeneman</b> Rhode Island Jul. 1, 1947 to Jul. 31, 1951	<b>Johnnie M. Walters</b> South Carolina Aug. 6, 1971 to Apr. 30, 1973	<b>Charles O. Rossotti</b> New York Nov. 13, 1997 to Nov. 6, 2002
<b>Alfred Pleasonton</b> New York Jan. 3, 1871 to Aug. 8, 1871	<b>John G. Capers</b> South Carolina Jun. 5, 1907 to Aug. 31, 1909	<b>John B. Dunlap</b> Texas Aug. 1, 1951 to Nov. 18, 1952	<b>Raymond F. Harless</b> (Acting) California May 1, 1973 to May 25, 1973	<b>Bob Wenzel</b> (Acting) Illinois Nov. 7, 2002 to Apr. 30, 2003
<b>John W. Douglass</b> Pennsylvania Aug. 9, 1871 to May 14, 1875	<b>Royal E. Cabell</b> Virginia Sept. 1, 1909 to Apr. 27, 1913	<b>John S. Graham</b> (Acting) North Carolina Nov. 19, 1952 to Jan. 19, 1953	<b>Donald C. Alexander</b> Ohio May 26, 1973 to Feb. 26, 1977	<b>Mark W. Everson</b> New York May 1, 2003 to May 28, 2007
<b>Daniel D. Pratt</b> Indiana May 15, 1875 to Aug. 1, 1876	<b>William H. Osborn</b> North Carolina Apr. 28, 1913 to Sept. 25, 1917	<b>Justin F. Winkle</b> (Acting) New York Jan. 20, 1953 to Feb. 3, 1953	<b>William E. Williams</b> (Acting) Illinois Feb. 27, 1977 to May 4, 1977	<b>Kevin M. Brown</b> (Acting) Virginia May 29, 2007 to Sept. 8, 2007
<b>Green B. Raum</b> Illinois Aug. 2, 1876 to Apr. 30, 1883	<b>Daniel C. Roper</b> South Carolina Sept. 26, 1917 to Mar. 31, 1920	<b>T. Coleman Andrews</b> Virginia Feb. 4, 1953 to Oct. 31, 1955	<b>Jerome Kurtz</b> Pennsylvania May 5, 1977 to Oct. 31, 1980	<b>Linda E. Stiff</b> (Acting) Germany Sept. 9, 2007 to Mar. 23, 2008
<b>Henry C. Rogers</b> (Acting) Pennsylvania May 1, 1883 to May 10, 1883	<b>William M. Williams</b> Alabama Apr. 1, 1920 to Apr. 11, 1921	<b>O. Gordon Delk</b> (Acting) Virginia Nov. 1, 1955 to Dec. 4, 1955	<b>William E. Williams</b> (Acting) Illinois Nov. 1, 1980 to Mar. 13, 1981	<b>Douglas H. Shulman</b> Ohio Mar. 24, 2008 to Nov. 9, 2012
<b>John J. Knox</b> (Acting) Minnesota May 11, 1883 to May 20, 1883	<b>Millard F. West</b> (Acting) Kentucky Apr. 12, 1921 to May 26, 1921	<b>Russell C. Harrington</b> Rhode Island Dec. 5, 1955 to Sept. 30, 1958	<b>Roscoe L. Egger, Jr.</b> Indiana Mar. 14, 1981 to Apr. 30, 1986	<b>Steven T. Miller</b> (Acting) Ohio Nov. 10, 2012 to May 21, 2013
<b>Walter Evans</b> Kentucky May 21, 1883 to Mar. 19, 1885	<b>David H. Blair</b> North Carolina May 27, 1921 to May 31, 1929	<b>O. Gordon Delk</b> (Acting) Virginia Oct. 1, 1958 to Nov. 4, 1958	<b>James I. Owens</b> (Acting) Alabama May 1, 1986 to Aug. 3, 1986	<b>Daniel I. Werfel</b> (Acting) Virginia May 22, 2013 to Dec. 22, 2013
<b>Joseph S. Miller</b> West Virginia Mar. 20, 1885 to Mar. 20, 1889	<b>Robert H. Lucas</b> Kentucky Jun. 1, 1929 to Aug. 15, 1930	<b>Dana Latham</b> California Nov. 5, 1958 to Jan. 20, 1961	<b>Lawrence B. Gibbs</b> Texas Aug. 4, 1986 to Mar. 4, 1989	<b>John A. Koskinen</b> Ohio Dec. 23, 2013 to present
<b>John W. Mason</b> West Virginia Mar. 21, 1889 to Apr. 18, 1893	<b>H. F. Mires</b> (Acting) Washington Aug. 16, 1930 to Aug. 19, 1930	<b>Charles I. Fox</b> (Acting) Utah Jan. 21, 1961 to Feb. 6, 1961		

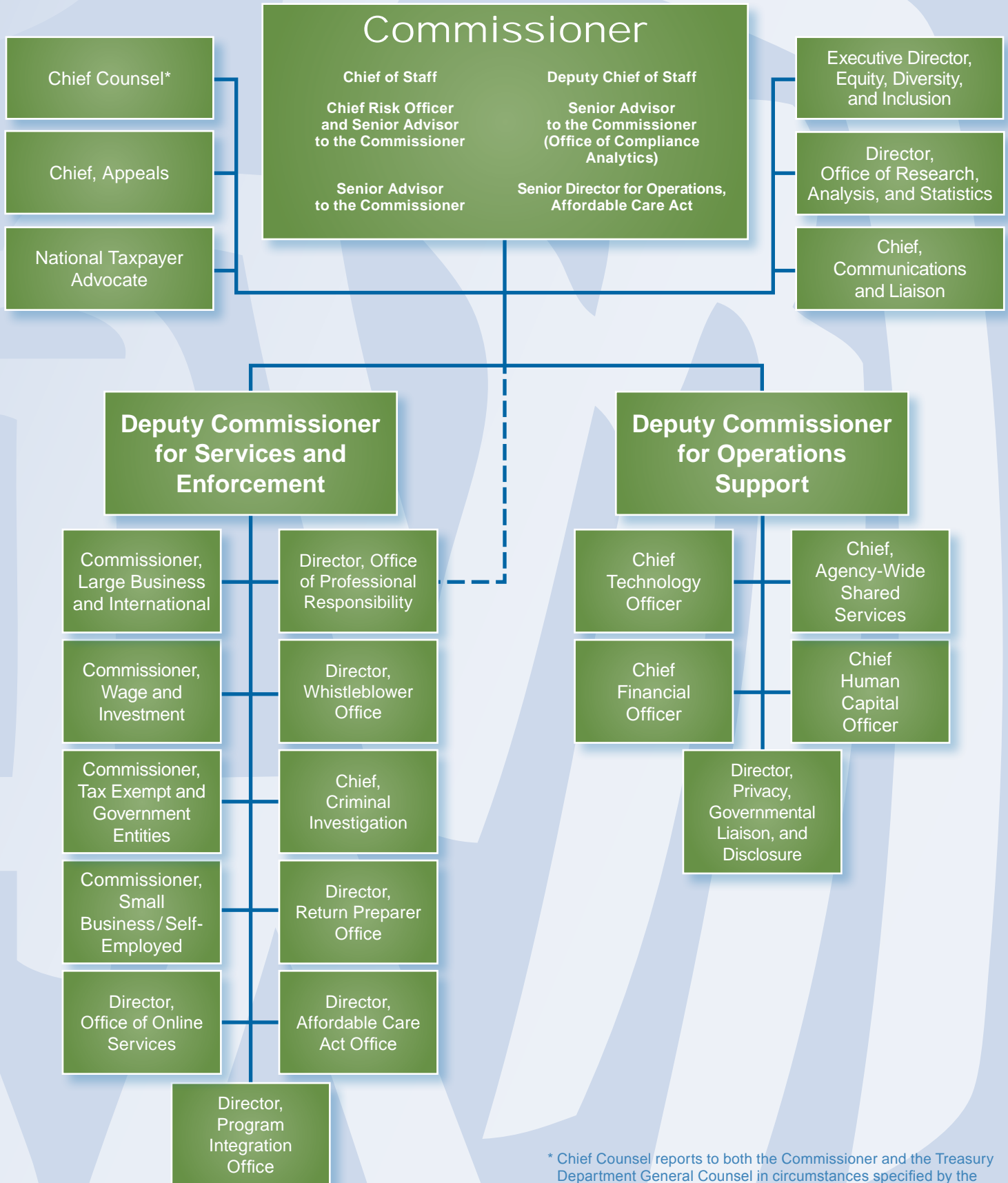
# Chief Counsels for the Internal Revenue Service

Walter H. Smith.....	1866
William McMichael.....	1871
Charles Chesley.....	1871
Thomas J. Smith.....	1888
Alphonso Hart .....	1890
Robert T. Hough .....	1893
George M. Thomas.....	1897
Albert W. Wishard.....	1901
A.B. Hayes.....	1903
Fletcher Maddox.....	1908
Ellis C. Johnson .....	1913
A.A. Ballantine.....	1918
D.M. Kelleher .....	1919
Robert N. Miller .....	1919
Wayne Johnson .....	1920
Carl A. Mapes.....	1920
Nelson T. Hartson.....	1923
Alexander W. Gregg.....	1925
Clarence M. Charest.....	1927
E. Barrett Prettyman.....	1933
Robert H. Jackson.....	1934
Morrison Shaforth.....	1936
John P. Wenchel .....	1937
Charles Oliphant.....	1947
Charles W. Davis .....	1952
Daniel A. Taylor.....	1953
John Potts Barnes .....	1955
Nelson P. Rose .....	1957
Arch M. Cantrall.....	1958
Hart H. Spiegel .....	1959
Crane C. Hauser .....	1961
Sheldon S. Cohen.....	1964
Mitchell Rogovin .....	1965
Lester R. Uretz.....	1966
K. Martin Worthy.....	1969
Lee H. Henkel, Jr. ....	1972
Meade Whitaker.....	1973
Stuart E. Seigel.....	1977
N. Jerold Cohen.....	1979
Kenneth W. Gideon.....	1981
Fred Goldberg, Jr.....	1984
William F. Nelson .....	1986
Abraham N. M. Shashy, Jr. ....	1990
Stuart L. Brown .....	1994
B. John Williams, Jr. ....	2002
Donald L. Korb .....	2004
William J. Wilkins .....	2009

The following were Acting Chief Counsel during periods when there was no Chief Counsel holding the office:

John W. Burrus
March 2, 1936 to Nov. 30, 1936
Mason B. Leming
Dec. 6, 1951 to May 15, 1952
Kenneth W. Gemmill
June 11, 1953 to Nov. 8, 1953
Rudy P. Hertzog
Dec. 1, 1954 to May 8, 1955
Jan. 20, 1961 to Aug. 16, 1961
Sept. 1, 1963 to Jan. 5, 1964
Herman T. Reiling
Jan. 19, 1957 to March 13, 1957
Aug. 31, 1959 to Sept. 20, 1959
Richard M. Hahn
Jan. 20, 1969 to June 25, 1969
Lee H. Henkel, Jr.
Jan. 16, 1972 to June 11, 1972
Lawrence B. Gibbs
April 17, 1973 to Oct. 19, 1973
Charles L. Saunders, Jr.
Jan. 20, 1977 to April 15, 1977
Leon G. Wigrizer
April 16, 1977 to June 23, 1977
Lester Stein
June 1, 1979 to Nov. 16, 1979
Jerome D. Sebastian
Jan. 21, 1981 to Feb. 2, 1981
March 30, 1981 to Aug. 14, 1981
Emory L. Langdon
Feb. 3, 1981 to March 29, 1981
Joel Gerber
May 28, 1983 to March 17, 1984
V. Jean Owens
March 14, 1986 to July 27, 1986
Peter K. Scott
Nov. 1, 1988 to Feb. 6, 1990
David L. Jordan
Jan. 20, 1993 to Oct. 4, 1994
Richard Skillman
Jan. 20, 2001 to Feb. 6, 2002
Emily A. Parker
Aug. 1, 2003 to April 14, 2004
Clarissa C. Potter
Dec. 19, 2008 to July 24, 2009

NOTE: From 1866 to 1926, the chief legal officer for the Bureau of Internal Revenue was known as the Solicitor. For the next eight years, 1926 to 1934, the chief legal officer had the title of General Counsel. Since 1934, the chief legal officer has operated under the title of Chief Counsel, now for the Internal Revenue Service.



\* Chief Counsel reports to both the Commissioner and the Treasury Department General Counsel in circumstances specified by the Internal Revenue Service Restructuring and Reform Act of 1998.

